



The Impact of Employee Performance on Workplace Conflict and Organizational Culture among Indonesian Workers

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Abstract

This study aims to examine the influence of work conflict and organizational culture on employee performance at PT. PG Rajawali II Cirebon. The research employs an associative design with a quantitative approach. The population consisted of all employees of PT. PG Rajawali II Cirebon, with a sample of 89 respondents selected as research participants. Data were collected through structured questionnaires. Classical assumption tests, including normality and multicollinearity tests, were conducted prior to hypothesis testing. Multiple linear regression analysis was utilized to examine the relationships between variables, while the coefficient of determination (R^2) was applied to measure the proportion of variance in employee performance explained by the independent variables. Hypothesis testing was performed using t-tests (partial effects) and F-tests (simultaneous effects).

The results indicate that work conflict has a positive and statistically significant effect on employee performance. Organizational culture also demonstrates a positive and significant influence on employee performance. Simultaneously, work conflict and organizational culture significantly affect employee performance. These findings imply that effective conflict management and the strengthening of organizational culture are essential strategies for enhancing employee performance at PT. PG Rajawali II Cirebon. Future research is recommended to explore additional variables that may contribute to employee performance in a broader industrial context and to conduct more in-depth analyses of mechanisms for optimizing conflict management and organizational culture development.

Keywords: Employee Performance, Organizational Culture, Work Conflict.

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1. Introduction

In the era of globalization, business competition has become increasingly intense, requiring companies to continuously adapt and innovate in order to maintain their competitive advantage. Organizations are compelled not only to meet consumer demands but also to develop distinctive products and services that differentiate them from competitors. One of the most strategic approaches to sustaining competitiveness is through the systematic development of high-quality human resources (HR). Effective human resource development strategies

enable organizations to enhance productivity, innovation capacity, and overall organizational performance.

Rapid business development requires companies to remain responsive to environmental changes. Organizations that fail to adapt to evolving market dynamics risk losing their competitive position. Therefore, organizational sustainability largely depends on the ability to maintain competent and reliable human resources. Human resources represent a critical asset within an organization, functioning as drivers of operational activities, strategic planners, and decision-makers who contribute directly to the achievement of organizational objectives. In contemporary management perspectives, employees are no longer regarded merely as production factors but as strategic assets whose competencies and performance determine organizational success.

Employee performance plays a central role in achieving organizational goals. Performance can be defined as the level of achievement or overall success of an individual in carrying out assigned tasks during a specific period, measured against predetermined standards, targets, or criteria. High employee performance reflects organizational effectiveness and contributes to long-term sustainability. Organizations characterized by high levels of employee performance are more likely to achieve strategic goals and retain talented employees.

Effective performance management requires proper managerial competence, particularly in placing the right individuals in strategic positions. Inappropriate placement of personnel without adequate conceptual and managerial competence may hinder organizational performance. Furthermore, performance indicators must align with employees' competencies and should be developed progressively through structured training and development programs. Such alignment ensures that performance expectations are realistic and attainable while encouraging continuous improvement.

One factor that may influence employee performance is work conflict. Conflict can be defined as a form of opposition arising from discrepancies between expectations and actual conditions within the organizational environment. Work conflict commonly emerges due to communication problems, interpersonal relationships, differences in status or goals, and organizational structural issues. While conflict is a natural phenomenon in organizational life, unmanaged conflict may create discomfort, reduce collaboration, and negatively affect employee performance. Conversely, when properly managed, conflict may stimulate critical thinking, innovation, and constructive dialogue.

Work conflict may arise from interdependence among employees, differences in working styles, or leadership approaches. For instance, some employees prefer collaborative team-based work, while others favor independent task completion. Differences in leadership styles can also generate misunderstandings and tension. Fundamentally, conflict emerges from disagreements regarding objectives, values, or methods used to achieve organizational goals. Therefore, effective conflict management requires an understanding of its underlying causes and the implementation of appropriate resolution strategies.

In addition to work conflict, organizational culture constitutes another important determinant of employee performance. Organizational culture refers to a shared system of values, beliefs, and norms that distinguishes one organization from another. It shapes employees' perceptions, attitudes, and behaviors within the workplace. A strong organizational culture fosters shared understanding, commitment, and alignment with organizational goals. Unlike job satisfaction, which reflects evaluative attitudes, organizational culture represents a descriptive construct that captures how members perceive and interpret the organization's core characteristics.

Given the significance of work conflict and organizational culture in influencing employee performance, this study seeks to analyze their effects within the context of PT. PG Rajawali II Cirebon. By examining these relationships, the research aims to provide empirical

evidence regarding how conflict management and cultural reinforcement strategies can enhance employee performance and contribute to organizational effectiveness.

2. Material and Method

This study employs an associative research design with a quantitative approach. Associative research aims to examine the relationships and causal influences among variables. In this study, the independent variables consist of work conflict (X_1) and organizational culture (X_2), while employee performance (Y) serves as the dependent variable. The objective is to empirically investigate the extent to which work conflict and organizational culture influence employee performance. The population comprises all employees of PT. PG Rajawali II Cirebon, totaling 89 individuals. Given the relatively small population size, a saturated sampling technique was applied, whereby all members of the population were included as research respondents. This approach is consistent with Sugiyono (2017), who states that when the population size is limited, the entire population may be used as the research sample.

Data analysis began with instrument testing through validity and reliability assessments. The validity test was conducted to ensure that each questionnaire item accurately measured the intended construct. Based on the criteria proposed by Ghozali (2018), an item is considered valid if the calculated correlation coefficient (r_{count}) exceeds the critical value (r_{table}), and invalid if r_{count} is lower than r_{table} . The r_{count} value was obtained from the Corrected Item-Total Correlation column. Reliability testing was subsequently performed to assess the internal consistency of the instrument using Cronbach's Alpha coefficient. According to Nunnally, as cited in Ghozali (2018), a construct is considered reliable if the Cronbach's Alpha value exceeds 0.70, whereas a value below 0.70 indicates insufficient reliability. These procedures ensure that the measurement instrument is both valid and reliable prior to hypothesis testing.

Hypothesis testing was conducted using multiple linear regression analysis to determine both partial and simultaneous effects of the independent variables on the dependent variable. The t-test was applied to evaluate the partial influence of each independent variable on employee performance. The null hypothesis (H_0) is rejected if $t_{\text{count}} > t_{\text{table}}$, indicating a statistically significant partial effect; otherwise, H_0 is accepted if $t_{\text{count}} < t_{\text{table}}$. Furthermore, the F-test was employed to examine the simultaneous effect of work conflict and organizational culture on employee performance. The null hypothesis is rejected if $F_{\text{count}} > F_{\text{table}}$, indicating that the independent variables jointly exert a significant effect on the dependent variable. Additionally, the multiple correlation coefficient (R) was used to assess the strength of the relationship between the independent and dependent variables, while the coefficient of determination (R^2) was calculated to determine the proportion of variance in employee performance explained by work conflict and

3. Result

Digitization The results of the calculation of the validity test of the conflict instrument obtained the following data. The measurement model encompasses three distinct stages. The initial phase involves the analysis of internal consistency. Subsequently, the second stage entails the evaluation of construct validity. Finally, the last step is dedicated to determining discriminant validity. Internal consistency is evaluated through the assessment of Cronbach Alpha (CA) and Composite Reliability (CR) values, as outlined in Table 2. It is recommended that a reliability value exceeding 0.7 is considered indicative of good reliability.

Table 1. Validity Test Results of Work Conflict Instrument (X1)

Grain Statement	Rcounter	Rtable	Results
P1	0.340	0.2084	Valid
P2	0.664	0.2084	Valid
P3	0.655	0.2084	Valid
P4	0.695	0.2084	Valid
P5	0.713	0.2084	Valid
P6	0.833	0.2084	Valid
P7	0.664	0.2084	Valid
P8	0.856	0.2084	Valid
P9	0.868	0.2084	Valid
P10	0.819	0.2084	Valid
P11	0.830	0.2084	Valid
P12	0.814	0.2084	Valid
P13	0.360	0.2084	Valid
P14	0.664	0.2084	Valid

Source: Data processing results 2023

Based on the table above, it shows that the value of $R_{count} > R_{table}$ for statements 1-14 of the work conflict variable (X1) is feasible and can be used for the next data analysis process.

Validity Test of Organizational Culture (X2)

The results of the calculation of the validity test of the organizational culture instrument obtained the following data:

Table 2. Organizational Culture Instrument Validity Test Results (X2)

Grain Statement	Rcounter	Rtable	Results
P1	0.424	0.2084	Valid
P2	0.375	0.2084	Valid
P3	0.330	0.2084	Valid
P4	0.239	0.2084	Valid
P5	0.290	0.2084	Valid
P6	0.357	0.2084	Valid
P7	0.412	0.2084	Valid
P8	0.408	0.2084	Valid
P9	0.367	0.2084	Valid
P10	0.478	0.2084	Valid
P11	0.619	0.2084	Valid
P12	0.601	0.2084	Valid
P13	0.540	0.2084	Valid
P14	0.476	0.2084	Valid
P15	0.402	0.2084	Valid
P16	0.280	0.2084	Valid

Source: Data Processing Results 2023

Based on the table above, it shows that the value of $R_{count} > R_{table}$ for statements 1-16 of the organizational culture variable (X2) is suitable for the next data analysis process.

Employee Performance Validity Test (Y)

The results of the calculation of the validity test of the training instrument obtained the following data:

Table 3. Validity Test Results Employee performance instrument (Y)

Grain Statement	Rcounter	Rtable	Results
P1	0.748	0.2084	Valid
P2	0.839	0.2084	Valid
P3	0.746	0.2084	Valid
P4	0.752	0.2084	Valid
P5	0.629	0.2084	Valid
P6	0.530	0.2084	Valid
P7	0.603	0.2084	Valid
P8	0.746	0.2084	Valid
P9	0.752	0.2084	Valid

Source: Data processing results

Based on the table above, it shows that the value of $r_{count} > r_{table}$ for statements 1-9 of the employee performance variable (Y) is feasible and can be used for the next data analysis process.

Reliability Test

Reliability Test of Work Conflict (X₁)

The outcomes of the reliability test for the Training variable instrument, computed using the SPSS Version 25 for Windows program, are as follows::

Table 4. Results of Reliability Test of Work Conflict Variable Instrument (X₁)

Reliability Statistics

Cronbach's Alpha	N of Items
.934	14

Based on the table above, it shows that the Cronbach's Alpha value > 0.70 or $0.934 > 0.70$ means that the work conflict variable (X₁) is reliable.

Work Motivation Reliability Test (X₂)

The outcomes obtained from conducting the reliability test for the Work Motivation variable instrument using the SPSS Version 25 for Windows program are presented below:

Table 5. Organizational Culture Variable Instrument Reliability Test Results (X₂)

Reliability Statistics

Cronbach's Alpha	N of Items
.744	16

Based on the table above, it shows that the Cronbach's Alpha value > 0.70 or $0.744 > 0.70$ means that the work culture variable (X₂) is reliable.

Employee Performance Variable Reliability Test (Y)

The results of the calculation of the reliability test of the Employee Performance variable instrument using the SPSS Version 25 for Windows program are as follows:

Table 6. Results of Reliability Test of Employee Performance Variable Instrument (Y)

Reliability Statistics

Cronbach's Alpha	N of Items
.867	9

Based on the table above, it shows that the Cronbach's Alpha value > 0.70 or $0.770 > 0.70$ means

that the employee performance variable (Y) is reliable.

Hypothesis Test

T Test (Partial)

The effect of work conflict (X1) on employee performance

Based on table 4.21 for the work conflict variable (X1), the $t_{count} > t_{table}$ is $4.537 > 2.084$ with a sig of $0.005 < 0.05$, so H_0 is rejected, and H_a is accepted, meaning that work conflict has a positive and significant effect on employee performance. Researchers present a picture to illustrate the location or position of the Tcount with the Ttable, which is as follows:

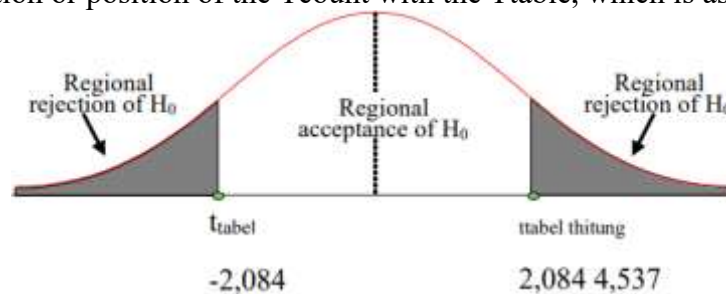


Figure 3 Acceptance and Rejection Areas of the First Hypothesis

Effect of Organizational Culture (X2) on Employee Performance

Based on table 4.21 for the work motivation variable (X2), the $t_{count} > t_{table}$ number is $3.146 > 2.084$ with a sig of $0.000 < 0.05$, so H_0 is rejected and H_a is accepted. This means that Organizational Culture has a positive and significant effect on employee performance. The study presents a picture to illustrate the location or position of Tcount with Ttable as follows:

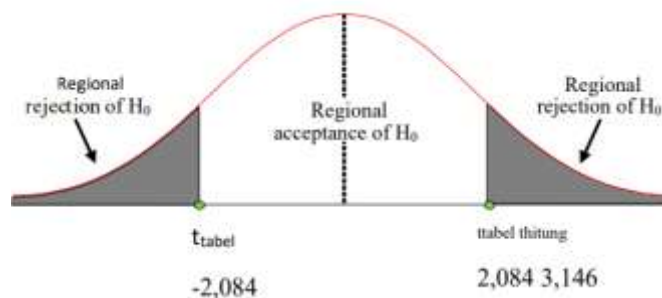


Figure 4 Acceptance and Rejection Regions of the Second Hypothesis

F Test (Simultaneous)

The research hypothesis proposed is to test the hypothesis between work conflict and organizational culture simultaneously on employee performance can be done with the following analysis steps:

1. Hypothesis Formulation

H_0 = There is no effect between training and work motivation simultaneously on employee performance.

H_a = There is an influence between training and work motivation simultaneously on employee performance.

2. Testing Conditions

- a. If $F_{count} > F_{table}$ then H_0 is rejected and H_a is accepted

- b. If $F_{count} < F_{table}$, then H_0 is accepted and H_a is rejected.

3. Calculating the magnitude of the Fcount

Conditions: significance level = 0.05 and degree of freedom df_1 (Number of variables-1) or $3-1 = 2$. Then the degree of freedom df_2 ($n-k-1$) or $89-2-1=86$ Then the results obtained for F_{table} are 3.10.

The following is a table of F Test results on Spss windows 25 as follows:

Table 7. F Test Results of the Effect of Training and Work Motivation on Employee Performance

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	347.585	2	173.792	21.081	.000 ^b
	Residual	708.977	86	8.244		
	Total	1056.562	88			

a. Dependent Variable: Employee Performance

b. Predictors: (Constant), Organizational Culture, Conflict

Based on the table above, training and work motivation affect employee performance. This can be proven by the Fcount value of 21.081 > Ftable of 3.10 and a sig value of 0.000 < 0.05. Thus, Ho is rejected, and Ha is accepted. This means that there is a significant and positive influence between work conflict and organizational culture together on employee performance. Researchers present a picture to illustrate the location or position of Fcount with Ftable, which is as follows:

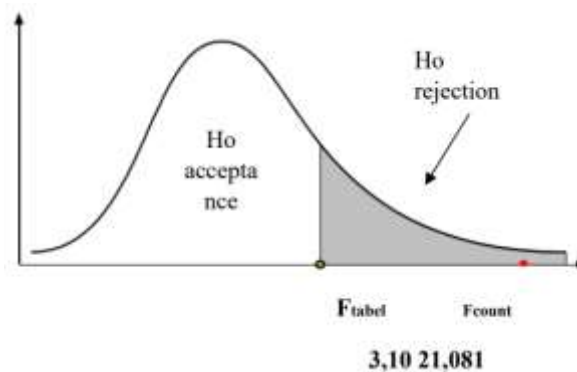


Figure 5 Third Hypothesis Acceptance and Rejection Region.

4. Discussion

The results of hypothesis testing indicate that work conflict has a positive and statistically significant effect on employee performance at PT. PG Rajawali II Cirebon. This finding is supported by the t-test results, which show that the calculated t-value ($t_{count} = 4.537$) exceeds the critical t-value (t_{table}), with a significance level of 0.005 (< 0.05). These results confirm that work conflict significantly influences employee performance. The positive coefficient suggests that the nature of conflict occurring within the organization tends to be functional rather than dysfunctional. In other words, when managed effectively, work conflict may stimulate critical thinking, encourage problem-solving, and foster innovation, thereby contributing to improved employee performance. This finding aligns with organizational behavior theories that conceptualize conflict as a dynamic process that, under appropriate management, can enhance productivity and organizational effectiveness.

Similarly, organizational culture was found to exert a positive and significant influence on employee performance. The t-test results indicate that the calculated t-value ($t_{count} = 3.146$) is greater than the critical value (t_{table}), with a significance value of 0.005 (< 0.05). This demonstrates that organizational culture plays a substantial role in shaping employee performance outcomes. A strong organizational culture, characterized by shared values, norms, and behavioral expectations, provides employees with a clear sense of direction and organizational identity. Such cultural alignment enhances employee commitment, motivation, and engagement, which ultimately leads to higher performance levels. These findings reinforce the theoretical perspective that organizational culture serves as a strategic resource capable of influencing employee attitudes and behaviors.

Descriptive analysis of the employee performance variable further supports these findings. The overall mean score of 4.07 indicates that employee performance at PT. PG Rajawali II Cirebon is generally categorized as high. However, certain items revealed relatively lower mean scores, such as the statement “My job is in accordance with my educational background” (mean = 3.87), suggesting potential mismatches between employees’ educational qualifications and job assignments. This issue may affect long-term performance optimization if not addressed through more precise job placement strategies. Conversely, the highest mean score was observed for the statement “I always innovate at work” (mean = 4.22), reflecting a strong orientation toward innovation among employees. Furthermore, the simultaneous effect test (F-test) yielded $F_{\text{count}} = 21.081$, which exceeds $F_{\text{table}} = 3.10$, with a significance value of 0.000 (< 0.05). This indicates that work conflict and organizational culture collectively have a significant and positive impact on employee performance, confirming the robustness of the proposed research model.

5. Conclusion, Implications, and Recommendations

5.1 Conclusion

Based on the results of the empirical analysis, it can be concluded that work conflict has a positive and significant effect on employee performance at PT. PG Rajawali II Cirebon. The statistical evidence demonstrates that t_{count} exceeds t_{table} and the significance value is below 0.05, indicating that the hypothesis is supported. This finding implies that conflict, when effectively managed, can function as a constructive mechanism that enhances employee performance rather than undermining it.

Organizational culture was also found to have a positive and significant effect on employee performance. The statistical results confirm that a stronger organizational culture is associated with improved performance outcomes. This suggests that shared values, norms, and organizational practices contribute to creating a supportive work environment that encourages productivity and innovation.

Moreover, the simultaneous analysis confirms that work conflict and organizational culture jointly exert a significant and positive influence on employee performance. The F-test results demonstrate that the combined explanatory power of these variables is statistically significant. Therefore, both effective conflict management and the strengthening of organizational culture are essential strategic factors in enhancing overall employee performance.

5.2 Implications

The findings of this study have several managerial implications. First, although work conflict is generally in a favorable condition, the presence of competitive dynamics among groups requires careful management. Healthy competition may stimulate performance; however, excessive rivalry may trigger dysfunctional conflict. Therefore, management should establish clear communication channels, promote collaborative work practices, and reinforce shared organizational goals to minimize destructive conflict.

Second, strengthening organizational culture should remain a strategic priority. Although employee performance is categorized as high, the relatively lower score regarding job suitability with educational background indicates the need for more precise job placement and competency-based human resource management. Aligning employee competencies with job requirements may further optimize performance outcomes. Additionally, maintaining a culture that promotes innovation, concentration, and accuracy at work should be continuously reinforced through leadership practices and organizational policies.

5.3 Recommendations

Based on the research findings and identified limitations, several recommendations are proposed. First, future research should incorporate additional variables—such as leadership style, job satisfaction, employee engagement, or motivation—to provide a more

comprehensive understanding of the determinants of employee performance. Expanding the research scope to different industrial contexts would also enhance the generalizability of findings.

Second, the company should continue to implement structured conflict management strategies to ensure that conflict remains functional and constructive. Clear role definitions, effective communication, and leadership mediation mechanisms are recommended to prevent interpersonal and intergroup tensions from escalating into dysfunctional conflict. By fostering a balanced organizational climate characterized by constructive conflict and a strong culture, the company can sustain and further enhance employee performance.

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