THE INFLUENCE OF ORGANIZATIONAL CULTURE AND WORK DISCIPLINE THROUGH WORK INVOLVEMENT AS AN INTERVENING VARIABLE IN IMPROVING EMPLOYEE PERFORMANCE AT THE MEDAN HELVETIA SUB-DISTRICT OFFICE

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Abstract

This study aims to analyze the influence of Organizational Culture and Work Discipline on Employee Performance with Work Engagement as a mediating variable at the Medan Helvetia Sub-District Office. This research employs a quantitative approach using the Partial Least Square (PLS) method to examine the relationships among variables. Data were collected through questionnaires distributed to employees of the Medan Helvetia Sub-District Office. The results indicate that Organizational Culture has a positive and significant effect on Work Engagement but does not have a direct effect on Employee Performance. Work Discipline has a positive and significant effect on both Work Engagement and Employee Performance. Furthermore, the results show that Organizational Culture positively and significantly affects Work Engagement with an original sample value of 0.501 and a p-value of 0.000. Organizational Culture has a positive but not significant effect on Employee Performance with an original sample value of 0.120 and a p-value of 0.214. Work Discipline positively and significantly affects Work Engagement with an original sample value of 0.472 and a p-value of 0.000, and it also positively and significantly affects Employee Performance with an original sample value of 0.354 and a p-value of 0.000. Work Engagement positively and significantly affects Employee Performance with an original sample value of 0.479 and a p-value of 0.001. Organizational Culture positively and significantly influences Employee Performance through Work Engagement with an original sample value of 0.240 and a p-value of 0.005, while Work Discipline positively and significantly influences Employee Performance through Work Engagement with an original sample value of 0.226 and a p-value of 0.002.

Keywords: Organizational Culture, Work Discipline, Work Engagement, Employee Performance.

INTRODUCTION
A. Background

Employee performance is a key factor in determining the success of an organization, including government agencies engaged in public services. Public organizations, such as the Medan Helvetia Sub-district Office, are required to provide optimal, fast, accurate, and transparent services to the public. This aligns with the demands of bureaucratic reform, which emphasizes the importance of improving the quality of human resources to support the effectiveness of government organizations. Without good employee performance, organizational goals will be difficult to achieve, particularly in providing satisfactory service to the public. One important aspect that can influence employee performance is organizational culture . According to Handayani (2023), organizational culture is a set of values, norms, and beliefs that develop within an organization and serve as guidelines for employee work behavior. A strong organizational culture will create a conducive work environment, foster a sense of belonging, and increase employee loyalty to the organization. This is emphasized by Yuliana & Indrawati (2021), who state that organizational culture not only functions as an organizational identity but also as a social glue that can direct individual behavior to align with organizational goals. Thus, a healthy organizational culture can improve employee motivation and performance. Besides organizational culture, work discipline is also a crucial factor influencing performance. Rivai & Sagala (2020) define work discipline as a mental attitude reflected in employees' awareness and willingness to comply with applicable regulations and norms within the organization. Good work discipline is evident in punctuality, obedience

to superiors' orders, and responsibility in completing tasks. Without discipline, employees tend to work carelessly, thus reducing productivity and overall organizational performance. However, organizational culture and work discipline will not produce optimal results if employees lack work engagement . Schaufeli & Bakker (2018) explain that work engagement is a positive state characterized by *vigor* (high enthusiasm and enthusiasm for work), *dedication* (a sense of pride and enthusiasm for work), and *absorption* (being immersed in work so that it is difficult to detach oneself from the task). Among these three dimensions, *absorption* describes the condition when employees feel fully immersed in their work, enjoy the work process, and focus without being easily distracted. Employees who have high engagement will be more productive, more resistant to stress, and have better performance.

Previous research also shows a positive relationship between organizational culture, work discipline, and work engagement with employee performance. Handayani (2023) found that organizational culture significantly influences employee performance, while work discipline, although not always partially influential, remains a significant factor when combined with other variables. These results are consistent with the theory of Rivai & Sagala (2020), which emphasizes that work discipline is the foundation for creating effective work behavior. Meanwhile, work engagement, according to Schaufeli & Bakker (2018), can function as a variable that strengthens the influence of internal organizational factors on employee performance. In the context of the Medan Helvetia Sub-district Office, the main challenge faced is how to improve the quality of public services amidst limited resources and high public demands. To achieve this, a combination of a conducive organizational culture, strong work discipline, and high employee work engagement is needed. With work engagement as a mediating variable, it is expected that organizational culture and work discipline can contribute more effectively in improving employee performance.

Therefore, this study is important to conduct a deeper analysis of the influence of organizational culture and work discipline through work engagement in improving employee performance at the Medan Helvetia Sub-district Office . The results of the study are expected to provide theoretical and practical contributions in the context of human resource development in the government sector. The phenomenon that occurred in this study, employee performance at the Medan Helvetia Sub-district Office still faces various obstacles. In terms of work discipline , there are still employees who do not comply with working hours and task completion is not optimal. From the aspect of organizational culture , work values and norms have not been fully internalized, as seen from the persistence of individualistic attitudes and a lack of cooperation between employees. Furthermore, employee engagement remains low, with some employees failing to demonstrate enthusiasm, pride, or absorption *in* their work. This situation has implications for suboptimal employee performance , such as delays in administrative services and a lack of public satisfaction. To strengthen the background, the performance data of the Medan Helvetia Sub-district Office employees will be presented in tabular form. The following data is the result of a recapitulation of the performance assessment of the Medan Helvetia Sub-district Office employees based on 85 respondents. Each indicator is measured based on the level of achievement and presented in the form of the number of respondents and the percentage of achievement. The table is as follows:

Table 1. Employee Performance Results

Employee Performance Indicators	Number of Achievements (Respondents)	Percentage (%)
Quantity of Work	70	82.35
Quality of Work	68	80.00
Punctuality	66	77.65
Effectiveness	64	75.29
Work Independence	67	78.82
Work Commitment	69	81.18

B. Formulation of the problem
After obtaining the background to the research problem, the formulation of the problem in this research is as follows:
1. Does organizational culture have a positive and significant influence on employee work engagement at the Medan Helvetia District Office?
2. Does work discipline have a positive and significant effect on employee work engagement at the Medan Helvetia District Office?

3. Does organizational culture have a positive and significant influence on employee performance at the Medan Helvetia District Office?
4. Does work discipline have a positive and significant effect on employee performance at the Medan Helvetia District Office?
5. Does work engagement have a positive and significant effect on employee performance at the Medan Helvetia District Office?
6. Does organizational culture have a positive and significant influence on employee performance in mediating work engagement at the Medan Helvetia District Office?
7. Does work discipline have a positive and significant effect on employee performance in the mediation of work engagement at the Medan Helvetia District Office?

C.   Research purposes
After obtaining the background and problem formulation, the researcher will create the following research objectives:
1. To test and analyze the influence of organizational culture on employee work engagement at the Medan Helvetia District Office
2. To test and analyze the influence of work discipline on employee work engagement at the Medan Helvetia District Office
3. To test and analyze the influence of organizational culture on employee performance at the Medan Helvetia District Office
4. To test and analyze the influence of work discipline on employee performance at the Medan Helvetia District Office
5. To test and analyze the influence of work engagement on employee performance at the Medan Helvetia District Office
6. To test and analyze the influence of organizational culture on employee performance in the mediation of work engagement at the Medan Helvetia District Office.
7. To test and analyze the influence of work discipline on employee performance in the mediation of work engagement at the Medan Helvetia District Office.

D.   Benefits of research
After getting everything that is needed, the research benefits of a study are as follows:
1. Theoretical Benefits
This research is expected to contribute to the development of science, particularly in the fields of human resource management and organizational behavior. The results can enrich the literature on the influence of organizational culture and work discipline on employee performance, with work engagement as an intervening variable, and strengthen or update existing theories.

2. Practical Benefits
For government agencies, especially the Medan Helvetia Sub-district Office, this research can be used as a consideration in making policies to improve employee performance through:
1. Strengthening an organizational culture that is conducive and aligned with organizational goals.
2. Improving work discipline to create an orderly, regular and productive work environment.
3. Increase employee work engagement , which has a positive impact on individual and team performance.
4. Provide strategic input to leaders in developing employee development programs based on work culture and engagement.

3. Benefits of Public Policy
The results of this study can also serve as a reference for local governments in developing strategies to improve the performance of state civil servants (ASN) at the sub-district level, particularly in establishing a good work culture and encouraging discipline and active participation of employees in public service tasks.

LITERATURE REVIEW

A.   Theoretical Framework

1. Organizational culture

a. Understanding Organizational Culture

According to Handayani (2023), organizational culture is a foundation of shared values and beliefs that guide behavior and interactions between individuals within an organization. According to Putri & Wahyuni (2021), organizational culture is a system that unites employees in how they think, act, and respond to organizational change. Organizational culture is a crucial aspect influencing the behavior, way of thinking, and performance of individuals within an organization. According to Kreitner and Kinicki (2016) , organizational culture is a set of shared values and beliefs that give meaning to how people work and interact within the organization. Similarly, Robbins and Judge (2017) define organizational culture as a system of shared meanings held by members of an organization that distinguishes the organization from other organizations and serves as a guideline for its members' behavior. Furthermore, Schein (2016) explains that organizational culture is a pattern of basic assumptions created, discovered, or developed by a group of people when facing problems of external adaptation and internal integration, and then taught to new members as the correct way to think, feel, and act within the organization. Luthans (2017) also suggests that organizational culture is formed through group experiences in solving problems faced, thus creating a pattern of values and beliefs that become shared guidelines. Furthermore, Colquitt, Lepine, and Wesson (2019) state that organizational culture reflects the organization's personality, encompassing the values, norms, and assumptions that shape the behavior of organizational members and influence how they work. This aligns with Daft's (2020) definition of organizational culture as a set of shared values, beliefs, and norms shared by organizational members that influence how they think, feel, and behave within the organization. From these various opinions, it can be concluded that organizational culture is a system of values,

b. Factors that influence organizational culture

The factors that influence organizational culture according to Handayani (2023) are as follows:

1) Leadership Style;
   The way leaders lead and motivate employees greatly influences the formation of culture.

2) Organizational structure;
    The form and characteristics of the organization, including its level of formality, also play a role in shaping work culture.

3) Communication;
    The quality and patterns of communication within an organization are important elements that shape how members interact and think.

4) Individual Values and Beliefs;
    The values, assumptions, and beliefs held by each member will shape and color the organizational culture.

5) Employee Characteristics and Motivation;
    Employees' motivation, attitudes, abilities, and personal characteristics also contribute to the culture that exists within an organization.

c. Organizational Culture Indicators

The indicators according to Handayani (2023) are as follows:

1. Innovation and Risk Taking. The drive to create new ideas and take risks.
2. Attention to Detail. Accuracy and precision in completing work.
3. Results Orientation. Focus on achieving targets and work effectiveness.
4. Person Orientation Concern for the well-being and development of individuals.
5. Team Orientation . The drive to work together in groups or teams.
6. Aggressiveness Competitive spirit, speed of action, and decisiveness in decision making.
7. Stability Compliance with regulations and maintaining work continuity.
8. Shared Values The shared principles and moral values held by all members of an organization.
9. Internal Communication Openness and smooth flow of information between parts of the organization.
10.   Self-Identification with the Organization Employees feel proud and are an important part of the organization.

2. Work Discipline

a. Understanding Work Discipline

According to Yuliana & Indrawati (2021) Work discipline is a form of employee awareness in carrying out tasks in accordance with organizational regulations, including attendance, punctuality, and work behavior. According to Fadillah & Ramadhan (2023), Work discipline is the act of obeying rules that aims to create efficiency, effectiveness and stability in carrying out work tasks. Work discipline is a crucial factor in improving employee performance and organizational effectiveness. According to Hasibuan (2016) , work discipline is a person's awareness and willingness to comply with all organizational regulations and applicable social norms. Awareness here indicates a voluntary adherence to rules, while willingness reflects a sense of responsibility in carrying out established provisions. A similar opinion was expressed by Mangkunegara (2017) , who stated that work discipline is a form of management implementation to strengthen organizational guidelines and ensure that employees behave in accordance with rules, norms, and work standards so that organizational goals can be achieved effectively. Siagian (2018) added that work discipline is a form of training that seeks to shape and improve employee knowledge, attitudes, and behavior so that they work voluntarily and cooperatively with colleagues to achieve optimal performance. Furthermore, Rivai and Sagala (2019) define work discipline as a tool used by management to change employee behavior to conform to organizational standards, as well as demonstrate attitudes and actions that align with applicable regulations and procedures. Similarly, Sutrisno (2019) states that work discipline is an individual's willingness to comply with organizational norms and regulations, both written and unwritten, in order to create order and work effectiveness. Meanwhile, Rivai (2020) states that work discipline is a condition that reflects respect for organizational regulations, which encourages individuals to work in an orderly and effective manner.

b. Factors that influence work discipline

According to Yuliana & Indrawati (2021), work discipline is influenced by several factors, including:

1. **Exemplary** leadership Leaders who are able to be role models will encourage employees to be more obedient to the rules and work in a disciplined manner.
2. **Diligence in implementing regulations** Employees will be more disciplined if organizational rules are enforced consistently without exception.
3. **Sanctions and rewards** The existence of clear sanctions for violators and rewards for those who achieve influence the level of employee discipline.
4. **Job satisfaction** Employees who are satisfied with their jobs tend to show higher levels of discipline.
5. **Work environment** A supportive, conducive and comfortable environment will make it easier for employees to comply with applicable regulations.
6. **Fairness in the organization** Fair treatment from leaders and the organization will foster a sense of trust so that employees are more disciplined.

c. Work Discipline Indicators

According to Yuliana and Indrawati (2021), the indicators of work discipline are as follows:

1. Work Attendance The level of employee attendance regularly and according to the established work schedule.
2. Punctuality . Employee discipline in arriving on time and completing work by the deadline.
3. Compliance with Company Rules. Compliance with the rules, procedures, and policies that apply within the organization.
4. Responsibility in Carrying Out Tasks . Attitude and behavior in completing work seriously, without neglecting responsibility.
5. Positive Behavior in the Workplace . Not committing violations, maintaining work ethics, and creating a conducive work environment.

3. Job Engagement

a. Understanding work engagement

According to Schaufeli & Bakker (2018) Job engagement is a positive, satisfying state of being associated with work, characterized by vigor, dedication, and absorption. According to Albrecht (2018), Job involvement is the degree to which an individual is emotionally and cognitively attached to his or her job and engaged in his or her work activities. Job engagement is an important aspect of organizational behavior that indicates the extent to which an employee is emotionally and psychologically connected to their work. According to Schaufeli and Bakker (2018) , job engagement is a positive and satisfying state related to work, characterized by vigor, dedication, and absorption in work. Job engagement describes individuals who have high energy, are enthusiastic about their work, and are fully

immersed in their work activities. Furthermore, Macey and Schneider (2018) explain that job engagement reflects an employee's energy, enthusiasm, and commitment to their work and organization, which encourages them to deliver their best performance. Meanwhile, Bakker and Albrecht (2018) suggest that job engagement is a psychological condition in which an individual is fully immersed in work activities with enthusiasm, dedication, and high energy. According to Saks (2019) , job engagement describes the extent to which a person identifies with their work, actively participates in carrying out tasks, and feels that the work they do has meaning and value for themselves and the organization. Similarly, Christian, Garza, and Slaughter (2019) define job engagement as the extent to which individuals fully invest in their work roles through high levels of attention, enthusiasm, and effort. Furthermore, Rich, Lepine, and Crawford (2020) explain that job engagement is the extent to which individuals express themselves physically, cognitively, and emotionally in carrying out their work. From these various opinions, it can be concluded that work engagement is a positive psychological condition in which employees show energy, enthusiasm, dedication, and full involvement both physically, emotionally, and cognitively in their work, thus encouraging them to achieve optimal performance and contribute significantly to the organization.

b. Factors influencing work engagement

Factors that influence work engagement according to the Schaufeli & Bakker (2018) framework are:

1. **Job Demands**
   1. Job demands such as workload, time pressure, and high responsibilities can encourage employees to be more disciplined so that targets can be achieved.
   2. If demands are too heavy without adequate support, it can actually reduce discipline because it triggers stress.
2. **Job Resources**
   1. Support from superiors, coworkers, role clarity, and work autonomy can improve discipline.
   2. Employees who feel supported will be more compliant with work rules and standards.
3. **Personal Resources**
   1. Individual factors such as motivation, commitment and self-confidence also encourage employees to be disciplined.
   2. Employees with high self-regulation will be more consistent in complying with organizational rules.
4. **Work Engagement**
   1. Vigor , dedication *and* absorption *make* employees work with focus, so that work discipline is better maintained
   2. Employees who are engaged in their work tend to comply with the rules because they feel their work is meaningful.

c. Job Engagement Indicators

Albrecht (2018) stated that work engagement is identified through the following indicators:

1. Energy and Vitality ,
2. Emotional Involvement in Tasks ,
3. Commitment to Organizational Goals ,
4. High Focus and Concentration ,
5. Job Satisfaction

4. Employee Performance

a. Understanding Employee Performance

According to Wibowo (2016) Performance is the result of a work process that reflects the quality and quantity of work produced by individuals within an organization. According to Rivai & Sagala (2020), Employee performance is the willingness of a person or group of people to carry out activities according to their responsibilities with the expected results. Employee performance is an important aspect in achieving organizational goals, because it reflects the extent to which an employee is able to carry out the tasks and responsibilities given to him effectively and efficiently. According to Mangkunegara (2017), employee performance is the quality and quantity of work results achieved by a person in carrying out his duties in accordance with the responsibilities given to him. Meanwhile, Wibowo (2018) explains that employee performance is the work results achieved by individuals or groups in an organization in accordance with their authority and responsibilities to achieve organizational goals legally, without violating the law, and in accordance with work ethics.

Armstrong and Taylor (2019) emphasize that employee performance is the result of work behavior that contributes to the achievement of organizational goals, including output, behavior, and work values. Similarly, Robbins and

Judge (2017) state that employee performance reflects the extent to which an individual successfully performs tasks and meets organizational expectations. Mathis and Jackson (2016) add that performance is the work produced by employees based on established standards, which serves as a measure of effectiveness in carrying out their work. Meanwhile, according to Dessler (2020), employee performance is the level of employee success in carrying out tasks and responsibilities assigned by the organization and serves as the basis for assessing individual productivity and work effectiveness.

b. Factors that influence employee performance

According to **Rivai & Sagala (2020)** , employee performance is influenced by various factors, both internal and external to the employee. These factors include:

1. **Ability (Ability)** Performance will be high if employees have abilities that match the demands of the job, both in the form of *knowledge* and *skills* .
2. **Motivation:** Work enthusiasm driven by needs, goals, and expectations can improve performance. Highly motivated employees will work more diligently and productively.
3. **Work Discipline** The level of compliance with organizational rules and procedures greatly determines the quality and effectiveness of employee work results.
4. **Work Environment** A comfortable working atmosphere, adequate facilities, harmonious working relationships, and organizational support influence work enthusiasm and performance.
5. **Leadership** An effective leadership style is able to direct, move and motivate employees to work optimally.
6. **Compensation** Providing fair and appropriate compensation, either in the form of salary or incentives, can improve employee performance.
7. **Organizational Culture** The values, norms, and work habits adopted within an organization will directly influence employee behavior and performance.

c. Employee Performance Indicators

According to Rivai and Sagala (2020) in the book *Human Resource Management for Companies* , employee performance indicators include several important aspects as follows:

1. Work Quality The level of precision, neatness, and accuracy of the work results carried out by employees.
2. Quantity of Work The amount of work that can be completed in a certain period, according to the workload given.
3. Timeliness The ability of employees to complete tasks according to the time specified or scheduled.
4. Work Effectiveness The level of success in achieving work goals by optimally utilizing available resources.
5. Independence in Work The ability to work without depending on others, demonstrating personal initiative and responsibility.
6. Teamwork Ability Willingness and ability to work in a team and establish good working relationships with colleagues .
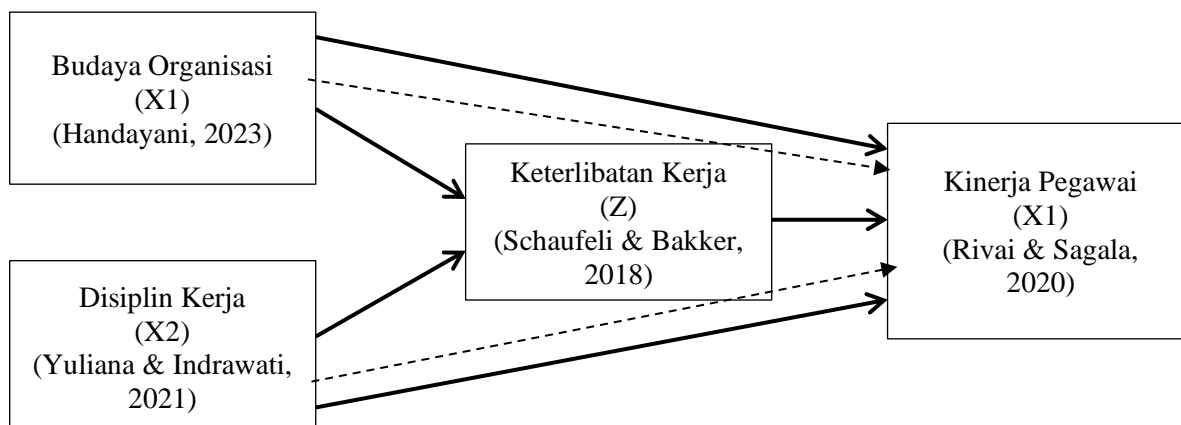
B. Conceptual Framework

Figure 1. Conceptual Framework

C. Research Hypothesis

H1: Organizational culture has a positive and significant influence on employee performance at the Medan Helvetia District Office .

H2: Work discipline has a positive and significant influence on employee performance at the Medan Helvetia District Office .

H3: Organizational culture has a positive and significant influence on work engagement at the Medan Helvetia District Office.

H4: Work discipline has a positive and significant effect on work involvement at the Medan Helvetia District Office .

H5: Work involvement has a positive and significant effect on employee performance at the Medan Helvetia District Office .

H6: Work culture has a positive and significant influence on employee performance through work involvement at the Medan Helvetia District Office .

H7: Work discipline has a positive and significant effect on employee performance through work involvement at the Medan Helvetia District Office .

RESEARCH METHODS

A. Types of research

This research uses a quantitative approach . According to Sugiyono (2018), a quantitative approach is used to examine a specific population or sample, collecting data using research instruments and analyzing it statistically. This type of research is causal , aiming to determine the influence of independent variables on the dependent variable, both directly and indirectly.

B. Location and Time of Research

This research was conducted at the Medan Helvetia Sub-district Office , located at Jl. Beringin X No. 2, Medan Helvetia, Medan City, North Sumatra . The research period was from August 2025 to October 2025.

C. Population and Research Sample

1. Population

According to Sugiyono (2018), a population is a generalized area consisting of objects or subjects that have certain qualities and characteristics determined by the researcher to be studied and then conclusions drawn. The population in this study was all employees working at the Medan Helvetia District Office , totaling 85 people .

2. Sample

A sample is a portion of the population's size and characteristics (Sugiyono, 2018). The sampling technique used in this study was a saturated (census) sampling technique , which is a sampling technique where all members of the population are used as samples because the number is relatively small and accessible. Therefore, the sample size in this study was 85 respondents .

D. Research Data Sources

The type of data used in this study is primary data , obtained directly from respondents through questionnaires. Additionally, secondary data such as documents, reports, and other references were used to support the analysis.

E. Data collection technique

Data collection techniques are carried out by:

1. Questionnaire: The main instrument in this study was a closed-ended questionnaire, a list of questions compiled based on research variable indicators. Respondents were asked to answer on a Likert scale of 1–5.
2. Literature Study Secondary data collection is carried out by reviewing literature, journals, books, and relevant documents that support the theory and analysis in the research.

F. Operational Definition of Research Variables

Table 2: Operational Definition of Variables

No	Variables	Definition	Indicator
1	Organizational culture (X1)	Organizational culture is the values, beliefs, symbols, and practices that serve as guidelines for acting and interacting within an organization (Handayani, 2023).	1) Innovation and risk taking 2) Attention to detail 3) Results orientation 4) People orientation 5) Stability 6) Team orientation (Handayani, 2023).
2	Work Discipline (X2)	Work discipline is an attitude or behavior of obeying and complying with work regulations and provisions in an organization (Yuliana & Indrawati, 2021).	1) Work attendance 2) Compliance with rules 3) Use of working time 4) Responsibility for tasks 5) Compliance with leadership (Yuliana & Indrawati, 2021).
3	Job Engagement (Z)	Job engagement is a positive psychological state characterized by high enthusiasm, dedication, and concentration towards work (Schaufeli & Bakker, 2018).	1) Vigor 2) Dedication 3) Concentration (Absorption) (Schaufeli & Bakker, 2018).
4	Employee Performance (Y)	Employee performance is the work results in terms of quality and quantity achieved by employees in carrying out their duties according to their responsibilities (Rivai & Sagala, 2020).	1) Quantity of work 2) Quality of work 3) Punctuality 4) Effectiveness 5) Work independence 6) Work commitment (Rivai & Sagala, 2020).

G. Data Analysis Techniques

This study uses Partial Least Square (PLS) analysis with the help of SmartPLS 3.0 software . PLS is one of the Structural Equation approaches. **Variance-based** modeling (SEM) was developed as an alternative to covariance-based SEM. According to Ghozali (2018), the PLS approach is very suitable for testing complex relationships between latent variables, including models with mediating and moderating variables, and when sample sizes are limited and data are not normally distributed. PLS is a predictive method used to estimate the relationship model between latent variables (constructs) measured through a number of indicators (manifest variables). In Smart PLS, the analysis process is divided into two main stages, namely:

1. Evaluation of the Measurement Model (Outer Model)
The measurement model aims to test the validity and reliability of the indicators used to measure latent constructs. Evaluation is carried out using the following criteria:
    a. Convergent Validity
        Convergent validity indicates how well the indicators used can explain the construct. Convergent validity is assessed by:
1. The minimum outer loading value for an indicator is 0.70. A value between 0.60 and 0.70 is acceptable in exploratory research.
2. The Average Variance Extracted (AVE) value is at least 0.50, which means the construct is able to explain more than 50% of the variance of its indicators.
    b. Discriminant Validity
        Discriminant validity measures the extent to which a construct is truly different from other constructs. Discriminant validity is tested by:

1. Cross loading, namely the indicator loading value on a construct must be greater than its loading on another construct.
2. Fornell-Larcker Criterion, namely the square root value of the AVE of a construct must be higher than the correlation between other constructs.

   c. **Construct Reliability**

   Construct reliability was tested to determine the internal consistency of the indicators. The criteria used were:
   1. Composite Reliability (CR) ≥ 0.70
   2. **Cronbach's Alpha** ≥ 0.70

   If these two values meet the requirements, then the construct is said to be reliable.

2. Structural Model Evaluation (Inner Model)

Once the measurement model meets the validity and reliability requirements, the next step is to test the relationships between the latent constructs, which mirrors the hypothesis testing in the structural model. Evaluation of the structural model includes:

a. **R-square (R²) value**

Shows how much of the variation in endogenous constructs can be explained by exogenous constructs.

b. **Path Coefficients Significance Test**

Testing was carried out using the bootstrapping method, which is a resampling technique to estimate parameter accuracy.

3. The hypothesis is declared significant if the t-statistic value is > 1.96 and the p-value is < 0.05 (for a significance level of 5%).

By following this procedure, the constructed model can be thoroughly tested in terms of both construct feasibility and the strength of the relationships between variables. This analysis allows researchers to draw statistical conclusions regarding the direct and indirect influences within the research model.

RESULTS AND DISCUSSION

A. *Outer Model* Analysis

Measurement model testing (outer model) is used to determine the specifications of the relationship between latent variables and their manifest variables. This testing includes convergent validity, discriminant validity and reliability.

1. *Convergent Validity*

The convergent validity of the measurement model with reflective indicators can be seen from the correlation between item/indicator scores and the construct scores. Individual indicators are considered reliable if they have a correlation value above 0.70. However, in the scale development stage of research, loadings of 0.50 to 0.60 are still acceptable. The results for outer loadings indicate that some indicators have loadings below 0.60 and are insignificant. The structural model in this study is shown in the following figure:
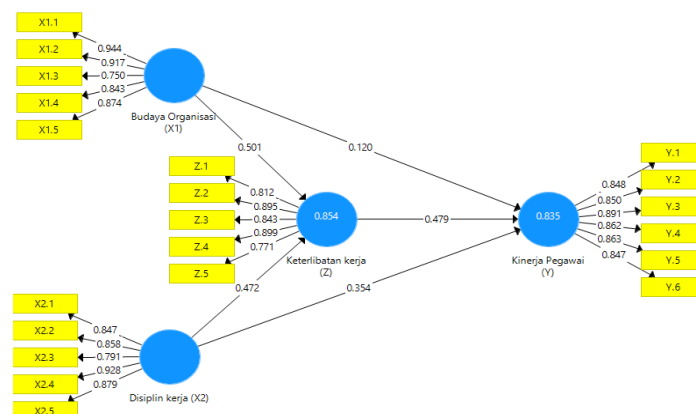

Figure 2. Outer Model

Source: Smart PLS 3.3.3

The Smart PLS output for loading factors gives the results in the following table: Outer Loadings
In this research there is an equation and the equation consists of two substructures for substructure 1
$Z = b1X1 + b2X2 + e1$
$Z = 0.5\ 01 + 0.472 + e1$
For substructure 2
$Y = b3X1 + b4X2 + b5Z + e2$
$Y = 0.120 + 0.354 + 0.479 + e2$

The Smart PLS output for loading factor gives the results in the following table:

Table 3. Outer Loadings

	Organizational Culture (X1)	Work discipline (X2)	Job involvement (Z)	Employee Performance (Y)
X1.1	0.944			
X1.2	0.917			
X1.3	0.750			
X1.4	0.843			
X1.5	0.874			
X2.1		0.847		
X2.2		0.858		
X2.3		0.791		
X2.4		0.928		
X2.5		0.879		
Y.1				0.848
Y.2				0.850
Y.3				0.891
Y.4				0.862
Y.5				0.863
Y.6				0.847
Z.1			0.812	
Z.2			0.895	
Z.3			0.843	
Z.4			0.899	
Z.5			0.771	

Source: Smart PLS 3.3.3

The validity test results show that all indicators in the variables Organizational Culture (X1), Work Discipline (X2), Work Involvement (Z), and Employee Performance (Y) have *loading factor* values above 0.70, so they are declared valid . In the Organizational Culture variable , the *loading factor value* ranges from 0.750–0.944 with indicator X1.1 as the strongest. The Work Discipline variable has a value between 0.791–0.928 with the highest indicator X2.4. For Work Involvement , the value is in the range of 0.771–0.899, where Z.4 is the most dominant indicator. Meanwhile, Employee Performance shows a value between 0.847–0.891 with indicator Y.3 as the highest. Overall, all indicators are declared valid and able to represent each construct well, so that the research instrument is suitable for use in the next analysis stage.

2. *Discriminant Validity*

This section will describe the results of the discriminant validity test. The *discriminant validity test uses cross-loading* values . An indicator is considered to meet discriminant validity if the cross-loading value for its variable is the largest compared to the other variables. The following are the cross-loading values for each indicator:

Table 4 *Discriminant Validity*

	Organizational Culture (X1)	Work discipline (X2)	Job involvement (Z)	Employee Performance (Y)
X1.1	**0.944**	0.823	0.848	0.778
X1.2	**0.917**	0.692	0.781	0.696
X1.3	**0.750**	0.666	0.770	0.790
X1.4	**0.843**	0.579	0.691	0.626
X1.5	**0.874**	0.719	0.709	0.674
X2.1	0.745	**0.847**	0.771	0.764
X2.2	0.593	**0.858**	0.656	0.724
X2.3	0.625	**0.791**	0.717	0.750
X2.4	0.717	**0.928**	0.805	0.748
X2.5	0.786	**0.879**	0.811	0.759
Y.1	0.718	0.778	0.776	**0.848**
Y.2	0.688	0.739	0.749	**0.850**
Y.3	0.679	0.749	0.756	**0.891**
Y.4	0.672	0.761	0.732	**0.862**
Y.5	0.760	0.744	0.846	**0.863**
Y.6	0.753	0.720	0.751	**0.847**
Z.1	0.750	0.890	**0.812**	0.775
Z.2	0.784	0.838	**0.895**	0.812
Z.3	0.765	0.645	**0.843**	0.736
Z.4	0.762	0.751	**0.899**	0.821
Z.5	0.657	0.528	**0.771**	0.611

Source: Smart PLS 3.3.3

The validity test results show that all indicators in the variables Organizational Culture (X1), Work Discipline (X2), Work Involvement (Z), and Employee Performance (Y) have *loading factor* values above 0.70, so they are declared valid and able to represent the construct of each variable well. In the Organizational Culture variable , the highest value is found in indicator X1.1 of 0.944 , indicating that this indicator most strongly explains organizational culture. The Work Discipline variable has the highest value in indicator X2.4 of 0.928 , which means this indicator is the most dominant in describing employee discipline. Meanwhile, the Work Involvement variable shows the highest value in indicator Z.4 of 0.899 , indicating that this indicator best represents employee engagement. For the Employee Performance variable , the indicator with the highest value is Y.3 of 0.891 , which best reflects overall employee performance. Thus, all indicators have met the convergent validity criteria and can be used for further analysis.

3. *Composite reliability*

The next test is *the composite reliability* of the indicator block that measures the construct. A construct is said to be reliable if the *composite reliability value* is above 0.60. The reliability of the construct or latent variable can also be seen by looking at *the Cronbach's alpha value of the indicator block that measures the construct. A construct is declared reliable if the Cronbach's alpha* value is above 0.7. The following illustrates the results of the construct for each variable: Workload and Job Satisfaction, Organizational Commitment, and Job Stress with each variable and

indicator. The following table shows the loading values for the research variable constructs generated from running the Smart PLS program in the following table:

Table 5 *Construct Reliability and Validity*

	Cronbach's Alpha	Composite Reliability	Average Variance Extracted (AVE)
Organizational Culture (X1)	0.917	0.938	0.754
Work discipline (X2)	0.913	0.935	0.743
Job involvement (Z)	0.900	0.926	0.715
Employee Performance (Y)	0.930	0.945	0.740

Source: Smart PLS 3.3.3

Based on the results of the construct reliability test, it was found that all variables in the study had Cronbach's Alpha , Composite Reliability (CR) , and Average Variance Extracted (AVE) values that were above the minimum required limits, namely 0.70 for *Cronbach's Alpha* and *Composite Reliability* , and 0.50 for AVE. The Organizational Culture variable (X1) showed *a Cronbach's Alpha value* of 0.917 , *Composite Reliability* 0.938 , and AVE 0.754 , which indicates that this construct has very high reliability. The Work Discipline variable (X2) is also reliable with *a Cronbach's Alpha value.* 0.913 , *Composite Reliability* 0.935 , and AVE 0.743 .

Furthermore, the Work Involvement variable (Z) obtained *a Cronbach's Alpha value.* 0.900 , *Composite Reliability* 0.926 , and AVE 0.715 , which means the indicators are consistent in measuring the construct. The Employee Performance variable (Y) shows the highest results with *Cronbach's Alpha.* 0.930 , *Composite Reliability* 0.945 , and AVE 0.740 , indicating excellent levels of reliability and internal consistency. Overall, the four variables have strong and stable levels of reliability and construct validity , so the research instrument is declared reliable and suitable for further analysis.

B. *Inner Model Analysis*

Structural model evaluation (inner model) is conducted to ensure the structural model is robust and accurate. The analysis stages involved in structural model evaluation are assessed using several indicators, including:

1. Coefficient of Determination (R2)

Based on the data processing that has been carried out using the SmartPLS 3.0 program, the R Square value is obtained as follows:

Table 6 R Square Results

	R Square	Adjusted R Square
Job involvement (Z)	0.854	0.850
Employee Performance (Y)	0.835	0.829

Source: Smart PLS 3.3.3

R Square value for the Job Involvement (Z) variable was 0.854 and the Adjusted R Square value was 0.850 . This shows that 85.4% of the variation that occurs in Job Involvement can be explained by the independent variables that influence it, while the remaining 14.6% is explained by other factors outside the research model. Meanwhile, the Employee Performance (Y) variable has an R Square value of 0.835 and an Adjusted R Square of 0.829 . This means that 83.5% of the variation in Employee Performance can be explained by the variables that influence it (such as Organizational Culture, Work Discipline, and Work Involvement), while the remaining 16.5% is influenced by other variables outside the research. Thus, both R Square values indicate that the research model has a very strong explanatory ability , because it is above 0.80 which is included in the high category.

2. Hypothesis Testing

After assessing the inner model, the next step is to evaluate the relationships between the latent constructs as hypothesized in this study. Hypothesis testing in this study was conducted by examining T-statistics and P-values. The hypothesis is accepted if the *T-statistic is* >1.96 and P-values are <0.05. The following are the results of the direct influence *path coefficients :*

Table 7 *Path Coefficients* (Direct Effect)

	Original Sample (O)	T Statistics (| O/STDEV |)	P Values	Results
Organizational Culture (X1) -> Work Engagement (Z)	0.501	6,081	**0,000**	**Accepted**
Organizational Culture (X1) -> Employee Performance (Y)	0.120	0.793	**0.214**	**Rejected**
Work discipline (X2) -> Work involvement (Z)	0.472	5,856	**0,000**	**Accepted**
Work discipline (X2) -> Employee Performance (Y)	0.354	4,830	**0,000**	**Accepted**
Job engagement (Z) -> Employee performance (Y)	0.479	3,114	**0.001**	**Accepted**

Source: Smart PLS 3.3.3

Based on the results from table 6, the explanation of these results is as follows:
H1   **The Influence of Organizational Culture on Work Engagement**
     The coefficient value is 0.501 , *T-Statistic* 6,081 , and *P-Value* 0.000 < 0.05 , indicating that the influence is positive and significant . This means that the better the organizational culture implemented, the higher the level of employee work engagement. (Hypothesis accepted)
H2   **The Influence of Organizational Culture on Employee Performance**
     The coefficient value is 0.120 , *T-Statistic* 0.793 , and *P-Value* 0.214 > 0.05 , indicating that the effect is not significant . This means that organizational culture does not have a real direct influence on employee performance. (Hypothesis rejected)
H3   **The Influence of Work Discipline on Work Engagement**
     The coefficient value is 0.472 , *T-Statistic* 5,856 , and *P-Value* 0.000 < 0.05 , indicating a positive and significant influence . This means that the higher the work discipline an employee has, the higher their involvement in their work. (Hypothesis accepted)
H4   **The Influence of Work Discipline on Employee Performance**
     The coefficient value is 0.354 , *T-Statistic* 4,830 , and *P-Value* 0.000 < 0.05 , indicating that the influence is positive and significant . Thus, the higher the employee's work discipline, the better the resulting performance. (Hypothesis accepted)
H5   **The Influence of Work Engagement on Employee Performance**
     The coefficient value is 0.479 , *T-Statistic* 3.114 , and *P-Value* 0.001 < 0.05 , indicating that the influence is positive and significant . This indicates that employees with high levels of work engagement tend to show better performance. (Hypothesis accepted)

Table 8 *Path Coefficients* (Indirect Effect)

	Original Sample (O)	T Statistics (| O/STDEV |)	P Values	Results
Organizational Culture (X1) -> Work Engagement (Z) -> Employee Performance (Y)	0.240	2,619	**0.005**	**Accepted**
Work discipline (X2) -> Work engagement (Z) -> Employee performance (Y)	0.226	2,904	**0.002**	**Accepted**

Source: Smart PLS 3.3.3

H6   **The Influence of Organizational Culture on Employee Performance through Work Involvement**
The coefficient value is 0.240 , with *T-Statistic* 2.619 and *P-Value* 0.005 < 0.05 , indicating that the influence is positive and significant . This means that Job Engagement acts as a mediating variable that strengthens the relationship between Organizational Culture and Employee Performance. The better the organizational culture, the higher the job engagement, which ultimately improves employee performance. (Hypothesis accepted)

H7   **The Influence of Work Discipline on Employee Performance through Work Involvement**
The coefficient value is 0.226 , with *T-Statistic* 2,904 and *P-Value* 0.002 < 0.05 , indicating that the influence is also positive and significant . This means that Work Engagement significantly mediates the relationship between Work Discipline and Employee Performance . In other words, good work discipline encourages increased work engagement, which then has an impact on increasing employee performance. (Hypothesis accepted)

Table 9: Indicator Values

	Organizational Culture (X1)	Work discipline (X2)	Job involvement (Z)	Employee Performance (Y)
X1.1	0.255			
X1.2	0.232			
X1.3	0.244			
X1.4	**0.207**			
X1.5	0.217			
X2.1		0.237		
X2.2		**0.213**		
X2.3		0.227		
X2.4		0.240		
X2.5		0.243		
Y.1				0.198
Y.2				0.190
Y.3				0.191
Y.4				**0.189**
Y.5				0.205
Y.6				0.190
Z.1			0.253	
Z.2			0.257	
Z.3			0.228	
Z.4			0.250	
Z.5			**0.191**	

Source: Smart PLS 3.3.3

DISCUSSION

Theoretically, these results indicate that several dimensions of the research variables are still not fully represented by the indicators used.

1. **Organizational Culture (X1)**

The lowest value for the *human orientation indicator (X1.4)* indicates that the organization's focus on employee well-being and relationships is not yet strongly reflected in its work culture. Theoretically, this confirms that, in the context of modern organizational culture, the *human orientation dimension* needs to be emphasized so that organizational culture theory (Handayani, 2023) is more contextualized to actual work behavior in the field.

2. **Work Discipline (X2)**

The indicator with the lowest *compliance-to-rules score (X2.2)* indicates that compliance has not yet become a habitual aspect of employee behavior. Theoretically, this reinforces Yuliana & Indrawati's (2021) view that discipline is not only a formal rule but also reflects personal awareness and moral integrity. This means that strengthening work discipline theory needs to emphasize the importance of internalizing disciplinary values rather than simply administrative compliance.

3. **Job Engagement (Z)**

The lowest loading value was found in the *concentration (absorption) indicator* , indicating that employees were not yet fully focused and immersed in their work. Theoretically, this suggests that *work engagement theory* (Schaufeli & Bakker, 2018) needs to be adapted to the context of public or bureaucratic organizations, where structural factors and administrative burdens often hinder employees' full engagement with their work.

4. **Employee Performance (Y)**

indicator *(Y.4)* with the lowest value indicates that work results have not been fully achieved in line with organizational goals. Theoretically, this reinforces Rivai & Sagala's (2020) theory that employee performance is determined not only by individual abilities but also by work systems, communication, and organizational support. Therefore, future research needs to develop performance theory by incorporating environmental and managerial factors as supporting variables.

CONCLUSION AND SUGGESTIONS

A. Conclusion

Based on the research results, it can be concluded that :

1. Organizational culture (X1); Work engagement (Z)

   Based on the test results, it was found that Organizational Culture has a positive and significant effect on Work Engagement with an original sample value of 0.501 and a p-value of 0.000. This means that the better the organizational culture is implemented, the higher the employee work engagement will be within the organization.

2. Organizational Culture (X1); Employee Performance (Y)

   Organizational Culture has a positive but insignificant effect on Employee Performance with an original sample value of 0.120 and a p-value of 0.214. This means that the implementation of a good organizational culture has an effect on employee performance, but does not have a significant effect on employee performance within the organization.

3. Work Discipline (X2); Work Engagement (Z)

   Work Discipline has a positive and significant effect on Work Engagement with an original sample value of 0.472 and p values of 0.000. This means that the higher the work discipline that employees have, the higher their involvement in their work .

4. Work Discipline (X2); Employee Performance (Y)

   Work Discipline has a positive and significant effect on Employee Performance with an original sample value of 0.354 and p values of 0.000. Thus, the higher the employee's work discipline, the better the performance produced.

5. Job Engagement (Z); Employee Performance (Z)

   Job Engagement has a positive and significant effect on Employee Performance with an original sample value of 0.479 and p values of 0.001 . This indicates that employees with a high level of job engagement tend to show better performance .

6. Organizational Culture (X1); Employee Performance (Y); Work Engagement (Z)

   Organizational Culture has a positive and significant effect on Employee Performance through Work Engagement with an original sample value of 0.240 and a p-value of 0.005 . This means that Work Engagement acts as a mediating variable. which strengthens the relationship between Organizational Culture and Employee Performance. The better the organizational culture, the higher the work engagement, which ultimately improves employee performance.

7. Work discipline (X2); Employee performance (Y); Work engagement (Z)

   Work Discipline has a positive and significant effect on Employee Performance through Work Engagement with an original sample value of 0.226 and a p-value of 0.002 . This means that Work Engagement significantly mediates the relationship between Work Discipline and Employee Performance . In other words, good work

discipline encourages increased work engagement, which then has an impact on increasing employee performance.

B. Suggestions

Practically, the results of this study provide an overview for organizations that several aspects of employee performance and behavior still need to be significantly improved in the field.

1. **Organizational Culture (X1.4)**

Organizations need to strengthen *their people-centric values* by creating a work environment that is more concerned with employee well-being. This can be done through *employee well-being programs* , community activities, and improved interpersonal communication to foster more harmonious and productive employee relationships.

2. **Work Discipline (X2.2)**

There's a need to improve compliance with regulations through the implementation of a fair *reward and punishment system* and technology-based work oversight. Furthermore, organizations need to set an example from their leaders so that discipline becomes a culture, not just an administrative obligation.

3. **Job Engagement (Z5)**

Management needs to foster a spirit of engagement by providing challenging responsibilities, development opportunities, and support for work *-life balance* . Employees who feel valued and involved will be more focused and committed to their work.

4. **Employee Performance (Y.4)**

To improve work effectiveness, organizations need to clarify key performance indicators *(KPIs*) and provide relevant competency training. Objective and measurable performance evaluations are also essential so employees understand their targets and expected work results.

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