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# RELATIONSHIP IN ORGANIZATIONAL CULTURE, MANAGEMENT CONTROL SYSTEM AND EMPLOYEE PERFORMANCE IN PERSPECTIVE MODEL

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**Abstract:** Organizational culture plays a role in shaping the character and behavior of employees, while management control systems play a role in controlling employees so that they continue to do work by the provisions. The purpose of this study is to determine the effect of organizational culture and management control systems on employee performance. The research was conducted at PT. Sami Aji Tekstil by collecting data through a questionnaire filled out by 33 respondents. The data collected is primary data and the method used is a descriptive verification method with a quantitative approach. In this study, the statistical test tool used was Structural Equation Modeling Partial Least Square (SEM-PLS). The results of this study are expected to be a solution to solving problems with the performance of employees at PT. Sami Aji Tekstil. The results of this study prove that organizational culture affects employee performance and that management control system affects employee performance.

**Keywords:** Employee Performance; Organizational Culture; Management Control System

## INTRODUCTION

Organizational culture has several differences even though it indicates the same functions and characteristics. It does not rule out that the culture of each individual adapts to his external environment. All organizational activities that run continuously have a series of actions and activities called the management control system (Sumarsan, 2016). Then Samryn (2013) argues that in a company there must be policies and procedures regarding the separation of recording functions, physical control, and carrying out operating activities of an economic event that will support the management control system.

Whether or not the goals of a company or organization are achieved depends on the performance shown by their employees, employees are also a determinant of the success of the company's strategy in running its business, especially in the service sector, therefore employees have a central position (Suparyadi, 2015). Employee performance can be improved using a certain approach without changing employees and aligning employees' natural talents with the assigned tasks, namely by changing the environment, equipment, assignments, or other external factors (Sulaksono, 2019).

Based on the results of research conducted by Hasan (2017), shows that organizational culture affects employee performance to increase employee productivity and create a conducive workplace that will have an impact on the progress of the company. The results of other studies submitted by Pangandaheng et al. (2017) show that organizational culture has a positive effect on employee performance, to improve employee performance so that it is better than before, leaders must pay attention to organizational culture factors. Furthermore, according to research Trang (2013) states that simultaneously, organizational culture has a positive and significant effect on employee performance. In line with the above, Syafaruddin (2018) based on his research suggests that organizational culture has a positive and significant effect on employee performance, so the stronger the employee organizational culture will improve employee performance. Then according to research conducted by Deikme (2013) states that

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organizational culture has a significant effect on employee performance. The way that can be done to improve organizational culture is by strengthening employee orientation towards employee implementation so that their performance can increase.

Another study conducted by Suprobo (2014) shows that the management control system has a significant effect on employee performance. Then based on Hinaya's research (2018), the management control system in the form of an interactive control system has a positive effect on the capabilities of company employees, namely company orientation, innovation, organizational learning, and entrepreneurship. In line with the above based on research by Dennis (2018), it is stated that the management control system affects employee performance. To avoid deviations, the management control system needs to be improved. Furthermore, Hakim (2018), based on his research, argues that the management control system affects employee performance because if strategic planning, budgeting, implementation, and performance evaluation have not gone well, employee performance will not be optimal. The results of other research submitted by Noviyanti (2018) show that the implementation of a management control system affects employee performance, the management control system will not work well if the executing officer does not have the commitment and ability, and high honesty to carry it out.

According to Sulaksono (2019), Organizational/company culture is the values that hold human resources in carrying out their obligations and behavior within the organization. The characteristics of organizational culture which as a whole are the essence of organizational culture according to Sulaksono (2019), namely: (1) Innovation and the courage to take risks; (2) Attention to detail; (3) Result orientation; (4) People orientation; (5) Team orientation; (6) Aggressiveness; (7) Stability.

Meanwhile, according to Halim et al. (2019), the management control system is a tool of other tools for implementing strategy, which serves to motivate organizational members to achieve organizational goals. The control system process proposed by Halim et al. (2019), namely: (1) Strategic planning (programming); (2) Budgeting; (3) Implementation; (4) Performance Evaluation.

Shaleh (2018) argues that employee or employee performance is the result of an employee's work during a certain period compared to possibilities, for example, standards, targets, goals, or criteria that have been determined in advance and have been mutually agreed upon. With the previous explanation, Busro (2018) states that performance can be measured with the following dimensions and indicators: (1) Work results with indicators: (a) Quality of work, (b) The quantity of the work, (c) Efficiency in implementation duty; (2) Work behavior indicators: (a) Work discipline, (b) Initiative, (c) Accuracy; (3) Personal characteristics of the indicators: (a) Honesty, (b) Creativity. The hypothesis of this study is as follows:

H1: Organizational culture is influential on Employee Performance
H2: Control System, Management of Performance Employees

## METHODS

The object studied was organizational culture, management control systems, and employee performance at PT. Sami Aji Tekstil. The measurement of these variables is measured by a measurement instrument in the form of a questionnaire (question item) which is closed and allowed to answer openly and use a score. Variables are characteristics inherent in people, objects, or other subjects (unit of analysis), which are measured by these characteristics the value can vary (variable) or can differ from one subject to another Nuryaman & Christina (2015: 41). In this study, organizational culture, management control system is the Independent Variable, while Employee Performance is the Dependent Variable.

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Employees related to research are the population in this study, thus employees at PT. Sami Aji Tekstil as many as 105 employees will be made into the population. Sugiyono (2014) states that the population has a share of the number and characteristics called the sample. Researchers can use samples taken from a population that is too large, researchers may not study everything in the population because of limited manpower, funds, and time.

Hair et al. (2017) argue that the minimum sample size for SEM-PLS can be determined by: (1) Rule Of Thumb: Ten times the greatest number of arrows pointing to the PLS path model's latent variable called the rule of thumb can be used to determine the minimum sample size; (2) Power Analysis: The direction of most arrows is also the basis for power analysis to determine the minimum sample size. Furthermore, Hair et al. (2017) recommend some minimum sample sizes that can be taken for SEM-PLS with various significant levels with $R^2$. So that in this study using power analysis at a significant level of 5% and $R^2 = 0.25$, the sample taken was 33 people.

## RESULTS AND DISCUSSION

### Descriptive Analysis Results

To make it easier to describe the variables being researched, then categorization is carried out on the responses from respondents based on the average score of responses from respondents. Based on the maximum score range and minimum score divided by the number of categories used using the following formula:

$$\text{Category Score Range} = \frac{\text{Maximum Score} - \text{Minimum Score}}{\text{Number Of Categories}}$$

So that the score categories can be made as follows:

**Table 1. Guidelines Category Average Respondents Response Score**

| Score Response | Category |
|---|---|
| 1,00 – 1,80 | Not Good/Inadequate/ Very Low/Never |
| 1,81 – 2,60 | Poor/Inadequate/Low/Never |
| 2,61 – 3,40 | Good Enough / Fair Enough / Sometimes |
| 3,41 – 4,20 | Good / Adequate / Often |
| 4,21 – 5,00 | Very Good / Very High / Very Adequate / Always |

Source: Processed data (2021)

### Descriptive Analysis of Organizational Culture

Organizational culture is measured through 7 dimensions which are operationalized into 11 indicators. Based on research conducted on organizational culture variables, the results of the calculation of the overall average score (grand mean) of 4.36 are between the intervals of 4.21-5.00. So the conclusion is the organizational culture at PT. Sami Aji Tekstil Very Good.

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**Table 2. Recapitulation of Average Distribution Responses from PT. Sami Aji Tekstil on Organizational Culture**

| No. | Indicator | Response Distribution | | | | | Mean Skor | Category |
|---|---|---|---|---|---|---|---|---|
| | | 5 | 4 | 3 | 2 | 1 | | |
| **Dimensions of Innovation and The Courage to Take Risks** | | | | | | | | |
| 1. | Innovative Level | 43% | 33% | 18% | 6% | 0% | 4,12 | Good |
| 2. | Level of Risk Taking | 52% | 36% | 12% | 0% | 0% | 4,39 | Very Good |
| **Dimension Attention To Detail** | | | | | | | | |
| 3. | Level of Precision | 43% | 33% | 21% | 3% | 0% | 4,15 | Good |
| 4. | Level of Analysis | 49% | 42% | 9% | 0% | 0% | 4.39 | very Good |
| 5. | Level of Attention To Detail | 49% | 39% | 12% | 0% | 0% | 4,36 | very Good |
| **Result Orientation Dimension** | | | | | | | | |
| 6. | Level of Focus on Outcomes | 43% | 36% | 21% | 0 | 0 | 4,21 | Very Good |
| **Dimension Of People Orientation** | | | | | | | | |
| 7. | The Level of Effect of Result on The Organization | 67% | 24% | 9% | 0% | 0% | 4,58 | Very Good |
| **Team Orientation Dimensions** | | | | | | | | |
| 8. | The Level of Work Organized Towards The Team | 58% | 39% | 3% | 0 | 0 | 4,55 | Very Good |
| **Aggressiveness Dimension** | | | | | | | | |
| 9. | Aggressive Level | 49% | 42% | 9% | 0 | 0 | 4,39 | Very Good |
| 10. | Competitive Level | 58% | 33% | 9% | 0 | 0 | 4,48 | very Good |
| **Dimension of Stability** | | | | | | | | |
| 11. | The Level of Activity Emphasizes The Status Quo | 49% | 39% | 6% | 6% | 0% | 4,30 | Very Good |
| ***Grand Mean*** | | | | | | | 4,36 | Very Good |

Source: Processed data (2021)

The Grand Mean is 4.36 which is equivalent to 87.2%. This means that the organizational culture of most companies is already running well because the indicators have been implemented according to the procedures established by the company. However, when compared with the ideal score (100%), it turns out that organizational culture still faces obstacles. The gap between the ideal score of 100% and the actual score of 87.2% shows a value of 12.8%. This gap should be eliminated so that conditions in the field regarding organizational culture are at the level of 100%, namely the optimal score for organizational culture. This gap is a form of quantification of the actual conditions of implementation in the organizational culture so that it is expected to decrease to achieve the ideal conditions expected by the organizational culture (respondents should give answers on a scale of 5).

**Descriptive Analysis of Management Control Systems**

The management control system is measured through 4 dimensions and operationalized into 4 indicators. Based on research conducted on management control system variables, the results of the calculation of the overall average score (grand mean) of 4.30 are between the intervals of 4.21-5.00. So the conclusion is the management control system at PT. Sami Aji Tekstil Very Good.

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**Table 3. Recapitulation of Average Response Distribution PT. Sami Aji Tekstil on Management Control Systems**

| No. | Indicator | Response Distribution 5 | 4 | 3 | 2 | 1 | Means Score | Category |
|---|---|---|---|---|---|---|---|---|
| **Strategic Planning** | | | | | | | | |
| 1. | Level of Conformity of Planning with the Program | 55% | 33% | 12% | 0% | 0% | **4.42** | **Very Good** |
| **Budgeting** | | | | | | | | |
| 2. | Level of Conformity of Budgeting with Company Plans | 46% | 39% | 15% | 0% | 0% | **4.30** | **Very Good** |
| **Implementation** | | | | | | | | |
| 3. | Conformity level between Work Reporting with Programs and Budgets | 49% | 36% | 15% | 0% | 0% | **4.33** | **Very Good** |
| **Performance evaluation** | | | | | | | | |
| 4. | Comparison Level between Budget and Realization | 40% | 36% | 24% | 0% | 0% | **4.15** | **Good** |
| **Grand Mean** | | | | | | | **4.30** | **Very Good** |

Source: Processed data (2021)

The Grand Mean is 4.30 which is equivalent to 86%. This means that the management control system in most companies is already running very well because strategic planning, budgeting, implementation, and performance evaluation have been implemented following the procedures established by the company. However, when compared with the ideal score (100%), it turns out that the management control system still faces obstacles. The gap between the ideal score of 100% and the actual score of 86% indicates a value of 14%. This gap should be eliminated so that conditions in the field regarding organizational culture are at the level of 100%, which is the optimal score for the management control system. This gap is a form of quantification of the actual conditions of implementation in the management control system so that it is expected to decrease to achieve the ideal conditions expected by the organizational culture (respondents should give answers on a scale of 5).

**Descriptive Analysis of Employee Performance**

Employee performance is measured through 3 dimensions and operationalized into 8 indicators. Based on research conducted on employee performance variables, the results of the calculation of the overall average score (grand mean) of 4.27 are between the intervals of 4.21-5.00. So the conclusion is the performance of employees at PT. Sami Aji Tekstil Very Good

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**Table 4. Recapitulation of Average Response Distribution PT. Sami Aji Tekstil on Employee Performance**

| No. | Indicator | Response Distribution 5 | 4 | 3 | 2 | 1 | Means Score | Category |
|---|---|---|---|---|---|---|---|---|
| **Dimensions of Work Results** | | | | | | | | |
| 1. | Level of Quality of Work | 43% | 39% | 18% | 0% | 0% | 4.24 | **Very Good** |
| 2. | Work Output Quantity Level | 40% | 36% | 24% | 0% | 0% | 4.15 | **Good** |
| 3. | Efficiency Level In Carrying Out Tasks | 49% | 36% | 12% | 3% | 0% | 4.30 | **Very Good** |
| **Work Behavior Dimension** | | | | | | | | |
| 4. | Work Discipline Level | 49% | 39% | 9% | 3% | 0% | 4.33 | **Very Good** |
| 5. | Initiative Level | 33% | 30% | 24% | 12% | 0% | 3.85 | **Good** |
| 6. | Level of Accuracy | 58% | 18% | 18% | 6% | 0% | 4.27 | **Very Good** |
| **The Personality Dimension** | | | | | | | | |
| 7. | Honesty Level | 55% | 36% | 9% | 0% | 0% | 4.45 | **Very Good** |
| 8. | Creativity Level | 64% | 30% | 6% | 0% | 0% | 4.58 | **Very Good** |
| **Grand Mean** | | | | | | | **4.27** | **Very Good** |

Source: Processed data (2021)

The Grand Mean is 4.27 which is equivalent to 85.4%. This means that the performance of employees at most companies has gone very well because the existing indicators have been implemented according to the procedures established by the company. But when compared with the ideal score (100%), it turns out that employee performance still faces obstacles. The gap between the ideal score of 100% and the actual score of 85.4% indicates a value of 14.6%. This gap should be eliminated so that conditions in the field regarding employee performance are at the level of 100%, which is the optimal score for employee performance. This gap is a form of quantification of the actual conditions of implementation in employee performance so that it is expected to decrease to achieve the ideal conditions expected by employee performance (respondents should give answers on a scale of 5).

**Analysis of the Influence of Organizational Culture and Management Control Systems on Employee Performance**

Analysis that is relevant to the aim of the research is carried out to be able to find out the results of the study of the models offered in overcoming problems in employee performance, then hypothesis testing is carried out and looking for the influence of organizational culture characteristics and management control systems on employee performance. In structural equation modeling (PLS), two types of models are formed, namely measurement and structural models. The measurement model describes the proportion of the variance of each variable (indicator) which can be explained in the latent variable. Through the measurement model, it will be known which indicators are more dominant in the formation of latent variables. After the measurement model of each latent variable is described, it will then be used as a structural model which will examine the effect of each latent variable, then it will then be used as a structural model which will examine the effect of each independent latent variable (exogenous latent variable), and there is a dependent latent variable. (endogenous latent variable).

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To test the research hypothesis that indicates the quality between latent variables, the authors use a structural equation modeling (SEM) method based on the variance structure known as the least square path (PLS-PM). Based on the results of the assessment the model parameter values are greater than 0.5.

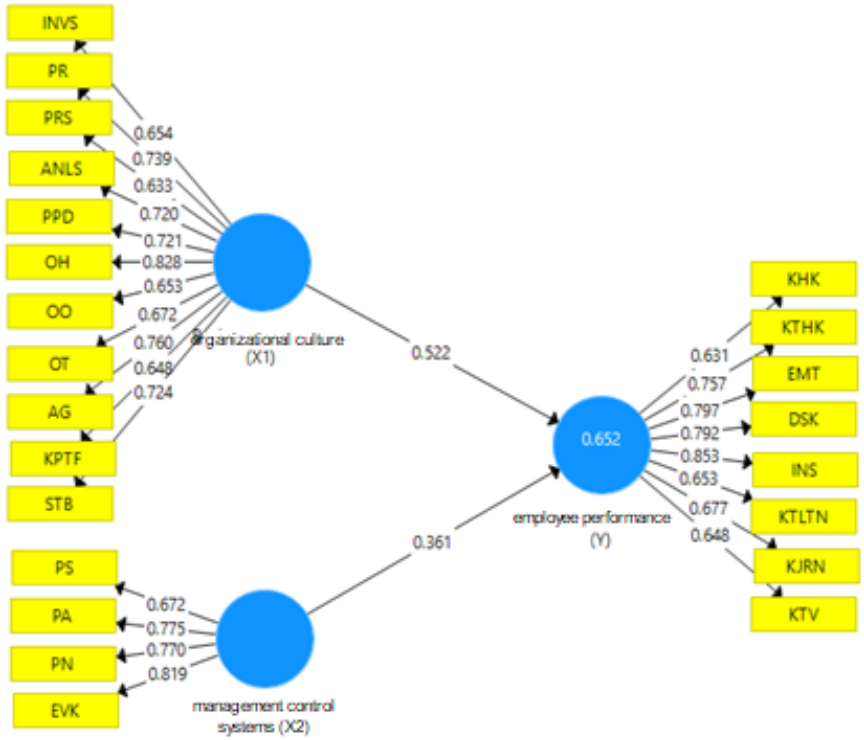


**Figure 1. Standardized Loading Factor Path Diagram**
Source: Processed data (2021)

Evaluation of the measurement model aims to ensure the reliability and validity of the construct measures so that it supports knowing the fit in the existence of these measures in the path model. The key criteria include indicator reliability, composite reliability which can show the level of the consistency reliability interval that a construct has, and convergent validity as measured by the average variance extracted (AVE) value, and is complemented by discriminant validity which is determined when loading indicators on high constructs. from cross-loading with other constructs.

**Organizational Culture Measurement Model**

The organizational culture variable here is measured using 11 indicators, namely innovation, risk-taking, precision, analysis, attention to detail, result orientation, people orientation, team orientation, aggressive, competitive, and stability. This indicator is a reflective indicator, where the estimation results of the measurement model parameters for this variable are shown in the following table:

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**Table 5. Results of the Calculation of the Organizational Culture Measurement Model**

| Item | Loading Factor | Indicator Reliability | $t_{count}$ | p-value |
|---|---|---|---|---|
| Innovation | 0.654 | 0.645 | 5.436 | 0.000 |
| Risk Taking | 0.739 | 0.710 | 5.941 | 0.000 |
| precision | 0.633 | 0.630 | 4.829 | 0.000 |
| Analysis | 0.720 | 0.714 | 7.764 | 0.000 |
| Attention To Details | 0.721 | 0.709 | 7.153 | 0.000 |
| Results Orientation | 0.828 | 0.819 | 12.278 | 0.000 |
| People Orientation | 0.653 | 0.614 | 3.928 | 0.000 |
| Team Orientation | 0.672 | 0.655 | 4.910 | 0.000 |
| Aggressive | 0.760 | 0.764 | 8.280 | 0.000 |
| competitive | 0.648 | 0.639 | 4.588 | 0.000 |
| Stability | 0.724 | 0.689 | 4.978 | 0.000 |
| *Average Variance Extracted* (AVE) | | 0.500 | | |
| *Construct Reliability* | | 0.916 | | |

Source: Processed data (2021)

The value of Construct Reliability is 0.916 which is more than 0.70 and the AVE obtained is 0.500 which is right at the minimum level of 0.50, so the measures of this reflective construct have a good level of Internal Consistency Reliability and convergent validity.

**Management Control System Measurement Model**

Management control system variables are measured using 4 indicators, namely strategic planning, budgeting, implementation, and performance evaluation. This indicator is a reflective indicator, where the estimation results of the measurement model parameters for this variable are shown in the following table:

**Table 6. Results of the calculation of the management control system measurement model**

| Item | Loading Factor | Indicator Reliability | $t_{count}$ | p-value |
|---|---|---|---|---|
| Strategic Planning | 0.672 | 0.652 | 4.945 | 0.000 |
| Budgeting | 0.775 | 0.756 | 6.500 | 0.000 |
| Implementation | 0.770 | 0.758 | 6.276 | 0.000 |
| Performance evaluation | 0.819 | 0.816 | 8.823 | 0.000 |
| *Average Variance Extracted (AVE)* | | 0.579 | | |
| *Construct Reliability* | | 0.846 | | |

Source: Processed data (2021)

The value of Construct Reliability is 0.846 which is more than 0.70 and the AVE obtained is 0.579 which is above the minimum level, namely 0.50, so the measures of this reflective construct have good levels of Internal Consistency Reliability and convergent validity.

**Employee Performance Measurement Model**

Employee performance variables are measured using 8 indicators, namely indicators of quality of work results, the number of work results, efficiency in carrying out tasks, work discipline, initiative, thoroughness, honesty, and creativity. This indicator is a reflective indicator, where the estimation results of the measurement model parameters of this variable are shown in the following table:

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**Table 7. Employee Performance Measurement Model Calculation Results**

| Item | Loading Factor | Indicator Reliability | $t_{count}$ | p-value |
|---|---|---|---|---|
| Quality of Work | 0.631 | 0.618 | 3.838 | 0.000 |
| Quantity of Work | 0.757 | 0.750 | 7.956 | 0.000 |
| Effectiveness in Carrying Out Duties | 0.797 | 0.794 | 10.436 | 0.000 |
| Work Discipline | 0.792 | 0.793 | 10.076 | 0.000 |
| initiative | 0.853 | 0.850 | 15.686 | 0.000 |
| Accuracy | 0.653 | 0.653 | 4.493 | 0.000 |
| Honesty | 0.677 | 0.673 | 6.653 | 0.000 |
| Creativity | 0.648 | 0.648 | 5.846 | 0.000 |
| *Average Variance Extracted (AVE)* | | 0.533 | | |
| *Construct Reliability* | | 0.900 | | |

Source: Processed data (2021)

The value of Construct Reliability is 0.846 which is more than 0.70 and the AVE obtained is 0.579 which is above the minimum level, namely 0.50, so the measures of this reflective construct have good levels of Internal Consistency Reliability and convergent validity.

## Structural Model Analysis

### Collinearity Testing

The structural model here describes the causal relationship between the research variables. The model analysis is related to testing the research hypothesis. Before the authors performed the analysis, it was proved to test the structural model for collinearity. The reason is that the estimation of the path coefficients in the structural model is based on the OLS regression of each endogenous latent variable for the path constructs which will be biased if there is a significant level of collinearity between the predictor constructs. To evaluate the collinearity used for variance inflation factor (VIF), in the context of PLS-SEM, a tolerance value of 0.20 or less and a VIF value of 5 or more indicates a collinearity problem (Hair et al., 2017).

In this study, collinearity testing was carried out on structural models that showed the relationship between latent variables in organizational culture and management control systems as predictors for latent variables of employee performance. The results of the VIF calculation for each organizational culture variable and management control system in this study, the VIF values are outside the tolerance value for the existence of collinearity problems, so it can be concluded that there is no significantlevel of collinearity between the two predictor variables. Thus the evaluation of the structural model can be realized including the testing of two research hypotheses.

### Structural Model Evaluation

The structural model shows the relationship between latent variables. In this study, the structural model is related to two research hypotheses that suggest a causal relationship between latent variables. The structural model in this study involves 2 exogenous latent variables, namely organizational culture and management control systems, and one endogenous latent variable, namely employee performance. The calculation results of the standardized path coefficients for the structural model of the influence of organizational culture and management control systems on employee performance can be seen in the figure below:

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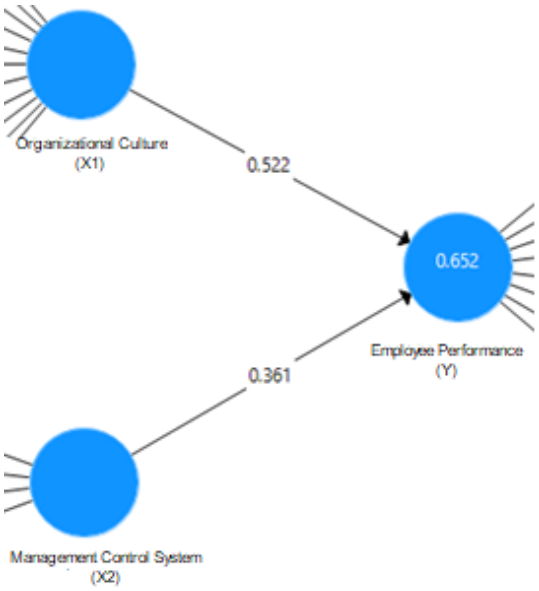


**Figure 2. Standardized Structural Model Coefficients**
Source: Processed data (2021)

## Hypothesis Testing

Statistical hypothesis 1

H0: Y11 = 0 Organizational culture does not affect employee performance.

H0: Y11 ≠ 0 Organizational culture affects employee performance.

Statistical Hypothesis 2

H0: Y11 = 0 Management Control System does not affect employee performance.

H0: Y11 ≠ 0 Management control system affects employee performance.

To test this hypothesis, it is necessary to use $t_{student.}$ The test criterion is that H0 is rejected if the p-value is smaller than α, and α = 0.05. The test results are summarized in the table below

**Table 8. Hypothesis Testing Results**

| Statistical Hypothesis | Path Coefficient | $t_{count}$ | $p_{value}$ | Information |
|---|---|---|---|---|
| $H_0$:$Y_{11}$ = 0<br>$H_0$:$Y_{11}$ ≠ 0 | 0,522 | 2,943 | 0,003 | $H_0$ is rejected |
| $H_0$:$Y_{11}$ = 0<br>$H_0$:$Y_{11}$ ≠ 0 | 0,361 | 2,068 | 0,039 | $H_0$ is rejected |

Source: Processed data (2021)

## Hypothesis Testing Results 1

Based on the table above, it can be seen that the t-count of organizational culture is (2,943) greater than the t-critical value (1.96), which means that the result of the hypothesis 1 test is that H0 is rejected, so it can be concluded that the statistical conclusion is that organizational culture affects employee performance.

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**Hypothesis Testing Results 2**

Based on the table above, it can be seen that the t-count of the management control system variable is (2.068) greater than the t-critical value (1.96), which means that the result of hypothesis 2 test is that H0 is rejected, so it can be concluded that the management control system has a significant effect. significant to employee performance.

Based on the calculation results, the f2 value of organizational culture is 0.439, because the f2 value is above 0.35 (the effect size limit is large), it can be stated that the effect size for the influence of organizational culture on employee performance is large. While the results of the calculation of the value of f2 from the management control system is 0.210 because the value of f2 is above 0.15 (the limit of the effect size is moderate), it can be stated that the effect size for the effect of the management control system is moderate.

Another measure that can be used in evaluating the structural model is the employee performance coefficient ($R^2$). Presenting the relationship between the variables of organizational culture and the management control system as predictors and endogenous latent variables of employee performance give the calculation result of $R^2$ = 0.652. So it can be concluded that 65.2% of the variance in employee performance variables is explained by variables of organizational culture and management control systems and the rest is explained by other factors.

This section discusses the results of empirical tests for each problem formulation and hypothesis. Based on the results of descriptive analysis and verification analysis are then compared with the theory and results of previous research. In addition to using the answers from the questionnaire in response to the problems in this study, open information from the results of respondents' responses is needed for problem-solving this study.

This research has the nature of testing (confirmation) the theory used to build the hypothesis in this study. For this research, the hypothesis is built based on a logical explanation theory, then the results of previous research are tested with existing facts empirically. Researchers use the theoretical framework as a conceptual model of the relationship between the identified factors to provide solutions to problem-solving on employee performance that has been tested (goodness of fit) statistically both for the outer model, namely the relationship between exogenous variables and endogenous variables.

The results of testing the fit of the model for the specified outer model based on the operationalization of the variables by considering the reflective orientation show convergent validity, namely the correlation between the item score and the construct score which shows the outer loading in the range 0.5-0.9. This means that this manifest variable has a high enough ability to reflect the latent variable and shows the t-count above the t-critical value, which is 1.96. For discriminant validity, namely the validity of the constructs formed, it can be seen based on the Average Variance Extracted (AVE) value. All variables are in the range of 0.500-0.579 where the recommended AVE value is equal to or greater than 0.5. Furthermore, the evaluation of the measurement model (outer model) can also be seen from the value of composite reliability (CR) where the composite reliability value is greater than 0.70, this result is as expected. The greater the value (goodness of fit), the more fit a model will be. The results of the inner model fit test, the hypothesis is accepted with the t-value above the t-critical value of 1.96.

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**The Effect of Organizational Culture on Employee Performance**

Based on the results of research on organizational culture on employee performance, it has an influence of 0.439 which is included in the large or large category. This coefficient shows that the variable performance of employees is explained by the dimensions that exist in the organizational culture.

Based on the results of the loading factor, it can be seen that the result orientation dimension has higher results than the others, which is equal to 0.828, which indicates that organizational members at PT. Sami Aji Tekstil always focuses on the result rather than the technique or process used to achieve that result. With this, the dimension of result orientation will provide changes to the performance of employees at PT. Sami Aji Tekstil.

The research findings above regarding organizational culture show that organizational culture is already in a good category but not completely perfect. This is caused by the level of innovation shows that some employees are still unable to innovate, this is due to companies that do not provide opportunities for their employees to innovate and require employees to always follow orders from their superiors to work following their assigned work. And there are regulations in the company that requires employees to do work following directions so this prevents employees from innovating. And then The level of precision shows that some employees still lack precision in doing work such as in the production section which results in targets not being achieved on time and there are employees who are able to pursue targets but make many production errors or defects so that it will increase production costs due to these defects.Dengan demikian hasil penelitian menunjukan bahwa budaya organisasi berpengaruh terhadap kinerja karyawan di PT. Sami Aji Tekstil. Maka meningkat atau menurunnya kinerja karyawan dipengaruhi oleh tinggi atau rendahnya budaya organisasi di PT. Sami Aji Tekstil. Di dalam penelitian ini budaya organisasi berpengaruh secara signifikan terhadap kinerja karyawan.

**The Effect of Management Control Systems on Employee Performance**

Based on the results of research on the management control system on employee performance, it has an influence of 0.210 which is included in the moderate category. This coefficient shows that the variable performance of employees is explained by the dimensions that exist in the management control system. Based on the results of the loading factor, it can be seen that the performance evaluation dimension has higher results than the others, which is equal to 0.819 which indicates that PT. Sami Aji Tekstil always evaluates by comparing budget with realization.

The findings of the above research regarding the management control system show that the management control system is already in the good category but not completely perfect. This is caused by the following budgeting shows that there is still a mismatch between budget preparation and company programs or plans, this is due to a lack of communication so the budget is not based on the latest information and there are errors. And also performance evaluation that has been carried out shows that there is still a mismatch between the budget preparation and the costs incurred. The set budget is still too small because it does not pay attention to the increase in raw material prices, employee overtime costs, etc. which results in a mismatch between the budget and its realization.

Thus the results of this study indicate that the management control system affects the performance of employees at PT. Sami Aji Tekstil. Then the increase or decrease in employee performance is influenced by the high or low management control system at PT. Sami Aji Tekstil. In this study, the management control system has a significant effect on employee performance.

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## CONCLUSION

Organizational culture affects employee performance. In the result orientation dimension, it has a very large effect on employee performance, while there are constraints on indicators of innovation and precision. Then the other dimensions also experienced a few obstacles but continued to run well even though they were not perfect. This means that the higher the organizational culture in the company, the better the performance of employees at PT. Sami Aji Tekstil and vice versa.

The management control system affects employee performance. The dimension that has a very big influence is performance evaluation, while in the dimension of strategic planning there are still obstacles, as well as other dimensions that have worked well even though not perfect. Thus the higher the management control system in the company, the better the employee's performance and vice versa.

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