



DRIVING EXCELLENCE THROUGH PERSON-ORGANIZATION FIT: HOW ORGANIZATIONAL CULTURE AND JOB SATISFACTION SHAPE EMPLOYEE PERFORMANCE AT HOTEL & CONVENTION IN CIREBON

Adam Tegar Alam¹, Damar Adanan Setiawan², Muhamad Alwi³✉

^{1,2,3}Management Department, Faculty of Economics and Business, Universitas Swadaya Gunung Jati, Indonesia

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The aim of this research is to re-examine the relationship between organizational culture and employee performance through job satisfaction as a mediating variable. The hospitality industry in Indonesia, with its significant contribution to the economy, faces challenges in improving hotel performance, particularly reflected in the decline in revenue, as experienced by Hotel & Convention XYZ in Cirebon. This study also attempts to use the Person-Organization Fit (P-O Fit) theory as the theoretical foundation to analyze the relationships among the research variables. This study employs a quantitative-explanatory approach with a census sampling technique, involving 166 employees of Hotel & Convention XYZ in Cirebon who have worked for more than one year. Data was collected through a Likert scale 1-5 based questionnaire. The collected data was then analyzed using the SEM-PLS analysis method through the SmartPLS 4 application. The results of the study indicate that an organizational culture that is well internalized can improve overall employee performance. The study also shows that job satisfaction plays a partial mediating role, making it a potential strategic alternative for companies to improve employee performance, particularly in the hospitality industry.

✉correspondence Address:
Jl. Pemuda No.32, Cirebon, Jawa Barat 45132
E-mail: malwy1980@gmail.com

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INTRODUCTION

The hospitality industry in Indonesia has made a significant contribution to the national economy, with its contribution to the Gross Domestic Product (GDP) recorded at approximately 2.4% in 2019. This sector experienced a sharp decline in 2020 due to the COVID-19 pandemic but began to recover in 2021-2022. According to data from the Central Statistics Agency (BPS), the hospitality sector contributes more than 2% to the GDP. In 2022, the hospitality sector saw a recovery, with the national hotel occupancy rate increasing to around 60% in the fourth quarter, after having dropped below 30% at the peak of the pandemic. In addition, the hospitality sector also supports over 1 million workers across Indonesia, as reported in the BPS (2022) report, which

highlights the significant employment absorption in the hospitality sector. The hospitality sector also contributes to regional taxes and levies, making a significant contribution to local revenues in major tourist destinations, as well as driving other supporting sectors such as transportation and food services.

The potential of the hospitality sector is expected to reach a contribution target to the Gross Domestic Product (GDP) of 4.6% by 2025 and continue to increase to 5% by 2029. However, to achieve this target, each hotel is required to improve its performance. The performance of a hotel itself can be assessed through its revenue level. In other words, the higher the revenue level of a hotel, the better its performance. However, a contrasting condition is shown by Hotel & Convention XYZ in Cirebon. Each year, the

hotel's revenue continues to decline, as seen in 2022, when the annual revenue of Hotel & Convention XYZ in Cirebon was only 19.6 billion, then decreased to 18 billion, and in 2024, the hotel experienced another revenue decline to 17.2 billion (Sudirman, 2023). This decline in revenue may indicate underlying issues related to the hotel's performance, which, if left unaddressed, could lead to bankruptcy.

Hotel performance is greatly influenced by its employees, as they play a key role in shaping the image of the hotel, particularly because they interact directly with customers or visitors. This means that the performance of a hotel, whether good or bad, is heavily determined by the performance of its employees. Therefore, the continuous decline in revenue at Hotel & Convention XYZ in Cirebon from year to year could indicate issues related to employee performance. This highlights the need for further research to better understand the employee performance at Hotel & Convention XYZ in Cirebon, including the factors that influence it.

To comprehensively understand issues related to employee performance, the Theory of Person-Organization Fit (P-O Fit) can be applied. The Person-Organization Fit Theory, developed by Kristof (1996), is an extension of the Person-Environment Fit (P-E Fit) theory introduced by Holland (1959). P-O Fit is based on the assumption that attitudes, behaviors, and other outcomes at the individual level are not the result of the individual or the work environment separately, but rather the relationship between the two (Westerman & Vanka, 2005). P-O Fit is considered to have a significant impact on various aspects, such as job search intentions, job satisfaction, psychological stress, knowledge acquisition and sharing, ethical behavior, organizational identification, work performance, and employee turnover (Morley, 2007). The theory also emphasizes the importance of alignment between employees and work processes, as well as the importance of creating organizational identity through consistent values embedded in the organizational culture.

Organizational culture encompasses various values, norms, and practices that influence how employees think, behave, and act within a company (Tran, 2021). Organizational culture is crucial for the sustainability of a company, as it represents the company's response to addressing issues related to adapting to external developments and changes, as well as integrating with the internal forces of the organization (Insan & Masmarulan, 2021).

Organizational culture plays an essential role because it can influence employee actions, which ultimately can improve employee

performance. The positive relationship between organizational culture and employee performance is also supported by previous studies conducted by Abdullahi et al. (2021); Haryadi (2022); Tran (2021); Insan & Masmarulan (2021); Diana et al. (2021), which revealed that the more positive the organizational culture within a company, the more positive the employee performance produced.

Research on the relationship between organizational culture and employee performance has not always yielded consistent findings. Several studies conducted by Paais & Pattiruhu (2020), Pagan (2023), and Kurniandra et al. (2022) revealed that organizational culture does not have a significant impact on employee performance. Kurniandra et al. (2022), in their study involving 34 employees of PT. Omnikopi Kreasi Enak, explained that weak organizational culture could not improve employee performance due to a lack of interaction among employees, attention to detail, stability, and a lack of guidance and warnings from the company. Furthermore, Pagan (2023) in his research revealed that organizational culture actually fosters negative feelings of superiority or ego, leading to conflicts between employees, which ultimately results in unproductive behavior.

The inconsistency of the research findings further highlights the theoretical gap in this study. To address this gap, a mediating variable is required to accommodate the relationship between organizational culture and employee performance. The mediating variable used in this study is job satisfaction. The values within the company culture that are maintained and developed by employees can influence management policies toward employees (Soomro & Shah, 2019). Employees have subjective perceptions of the overall organization based on objective factors such as the importance of work structure, emphasis on outcomes, attention to individuals and teams, aggressiveness, and stability within the organization (Soomro & Shah, 2019). These perceptions then impact job satisfaction, with employees' positive or negative perceptions of the organization directly influencing their level of job satisfaction (Soomro & Shah, 2019). The positive relationship between organizational culture and job satisfaction is also confirmed by several previous studies conducted by Saleh & Atan (2021), Paramita et al. (2020), and Riyanto & Panggabean (2020).

Job satisfaction refers to a positive emotional state that employees derive from their work experiences and conditions, such as career advancement opportunities, compensation systems, management relationships, job security, and supportive environments that promote

engagement (Saleh & Atan, 2021). Contentment with work motivates employees to enhance their performance (Idris et al., 2020), while dissatisfaction can lead to performance declines. This positive correlation between job satisfaction and performance is consistently demonstrated in research by Mira et al. (2019), Sabuhari et al. (2020), Idris et al. (2020), and Latifah et al. (2024), confirming that higher job satisfaction consistently yields superior performance outcomes.

The novelty of this research lies in its integrative approach that re-examines the relationship between organizational culture and employee performance by explicitly incorporating job satisfaction as a mediating variable, grounded in the Person-Organization Fit (P-O Fit) theory, within the context of the Indonesian hospitality industry—a setting that has received limited empirical attention, especially post-pandemic and in medium-sized cities like Cirebon. The objective of this study is to analyze and explain how organizational culture influences employee performance both directly and indirectly through job satisfaction as a mediator, thereby providing new insights and strategic recommendations for improving hotel performance in a competitive and recovering industry landscape.

Person-Organization Fit Theory

Rynes and Cable (2003) explain that in the recruitment process of the 21st century, serious job applicants are not only seeking the right job but also an organization that fits them. From an organizational perspective, the conventional selection process typically focuses on job analysis and determining the knowledge, skills, and abilities (KSA) required for a specific job. This focus has shifted from simply matching "KSA for the job" to aligning the culture and values between the individual and the organization. Schneider (2001) introduced the attraction-selection-attrition (ASA) model, which states that work values are key for an individual to assess their fit with an organization (person-organization fit or P-O fit). Individuals are naturally attracted to and apply to organizations that share similar characteristics, and organizations also select individuals who fit their culture and values.

According to Cable and Judge (1997), values between individuals and organizations can be directly compared and are relevant. Arthur et al. (2006) emphasize that if P-O fit is used in recruitment decision-making, then the methods of measuring it must meet the same psychometric and legal standards as other selection tests. Kristof (1996) defines P-O fit as the compatibility between an individual and an organization, where one

party provides what the other party needs, or both have similar fundamental characteristics. This theory refers to the person-environment fit concept, which emphasizes the importance of compatibility between employees and work processes, as well as creating organizational identity through consistent values (Werbel & DeMarie, 2005).

Value congruence is commonly recognized as a method to assess Person-Organization fit (P-O fit) (Kristof-Brown et al., 2005). As highlighted by Westerman & Vanka (2005), an individual's attitudes and behaviors are shaped not just by personal traits or workplace conditions alone, but also by the alignment between these two dimensions. Here, the compatibility of values between a person and an organization plays a pivotal role in hiring decisions (Chatman, 1989; Ostroff et al., 2005). Job seekers actively evaluate this alignment during recruitment; if they perceive a mismatch with the organization's core values, they often opt out of the selection process altogether.

Hypotheses Development

Organizational Culture & Employee Performance

Previous studies have proven a positive and significant relationship between organizational culture and employee performance (Abdullahi et al., 2021; Haryadi, 2022; Tran, 2021; Insan & Masmarulan, 2021; Diana et al., 2021). Their research reveals that the relationship between culture and performance is influenced by how the organization seeks important information and how it uses that information. Organizational culture reflects three key elements in an organization: collaboration, learning and development, and support from top management (Solahudin et al., 2024). Organizational culture creates competitive advantage by defining the boundaries of the organization in terms of human interaction or experience and the ability to process information (Soomro & Shah, 2019). Similarly, various studies emphasize that a positive culture within an organization can enhance employees' willingness to achieve organizational goals in a more specific direction (Santoso & Soehari, 2020; Shahzad et al., 2013).

Organizational culture is a characteristic of an organization that differentiates one organization from another (Sholahudin et al., 2019). Organizational culture is crucial for the sustainability of the organization, especially in responding to the organization's efforts to adapt to external developments, changes, and integrate with the internal forces of the organization. Insan & Masmarulan (2021) explain that organizational

culture plays an important role because it is directly related to employee actions that can improve their performance. A strong organizational culture is a valuable tool for controlling behavior as it helps employees perform their jobs better, thus every employee should understand the organizational culture and how it is implemented from the beginning of their career (Haryadi et al., 2022). Therefore, the hypothesis that can be formed is:

H1: Organizational culture has a positive and significant impact on employee performance.

Organizational Culture & Job Satisfaction

Job satisfaction and organizational goals can be achieved through the culture established by the organization (Saleh & Atan, 2021). Organizational culture consists of the values and beliefs shared by all its members. These values are maintained and developed by all members of the organization, which then serve as the foundation for the organization’s policies regarding employee management (Soomro & Shah, 2019). In other words, these beliefs and values influence the attitudes of individuals and teams within the organization through the policies set by the company. According to Robbins & Judge (2007), employees have a subjective perception of the entire organization, which is based on objective factors, including the importance of work structure, emphasis on results, attention to individuals and teams, aggressiveness, and stability within the organization. Both positive and negative views will impact employee job satisfaction. The positive relationship between organizational culture and job satisfaction is also supported by previous studies conducted by Saleh & Atan (2021); Paramita et al. (2020); Riyanto & Panggabean (2020). Therefore, the hypothesis that can be formulated is:

H2: Organizational culture has a positive and significant effect on job satisfaction.

Job Satisfaction & Employee Performance

Job satisfaction serves as a pivotal organizational element, profoundly shaping employee well-being, morale, and productivity incentives (Mabaso & Dlamini, 2017). Defined by Owusu (2014) as a sense of fulfillment derived from work experiences, this emotional state acts as a performance catalyst: satisfaction motivates excellence, while dissatisfaction triggers performance deterioration (Idris et al., 2020).

Individual variations in job-related decisions emerge from personal value systems, yet universally, heightened satisfaction correlates with deeper task engagement (Renyut et al., 2017). Robbins et al. (2009) affirm that satisfied employees consistently deliver optimal output, a

pattern empirically validated across studies by Mira et al. (2019), Sabuhari et al. (2020), Idris et al. (2020), and Latifah et al. (2024), establishing job satisfaction as a non-negotiable driver of peak performance. Therefore, the hypothesis that can be formulated is:

H3: Job satisfaction has a positive and significant effect on employee performance.

Organizational Culture and Employee Performance through Job Satisfaction

The Person-Organization Fit (P-O Fit) theory emphasizes the importance of alignment between employees and work processes, as well as the significance of creating organizational identity through the institutionalization of consistent values embedded within the organizational culture (Morley, 2007). When individuals perceive a fit with the organization, they tend to feel more connected and motivated at work (Kodden & Kodden, 2020). P-O Fit also stresses the importance of alignment between employees’ personal goals and the organization’s objectives (Morley, 2007). In other words, if employees feel that they are a good fit within the organization’s environment, they are more likely to remain, be committed, and be motivated to perform at their best.

Research by Abdullahi et al. (2021), Haryadi (2022), Tran (2021), Insan & Masmarulan (2021), and Diana et al. (2021) confirms that organizational culture positively correlates with employee performance. According to Person-Organization Fit theory, alignment between organizational culture and employee values enhances job satisfaction—a relationship substantiated by Saleh & Atan (2021), Paramita et al. (2020), and Riyanto & Panggabean (2020). Such satisfaction drives greater work effectiveness, motivation, and organizational loyalty. This performance-satisfaction linkage is further evidenced in studies by Mira et al. (2019), Sabuhari et al. (2020), Idris et al. (2020), and Latifah et al. (2024), establishing job satisfaction as the mediating mechanism through which organizational culture influences performance outcomes, as validated by Wua et al. (2022). Therefore, the hypothesis that can be formulated is:

H4: Job satisfaction significantly mediates the relationship between organizational culture and employee performance.

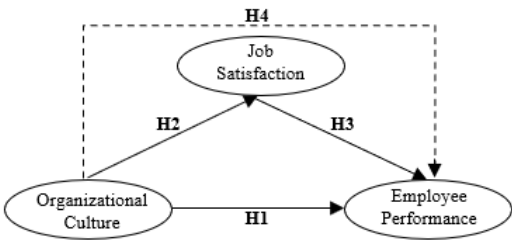


Figure 1. Research Model

METHOD

This study uses a Quantitative-Explanatory approach, aimed at explaining the causal relationships between the variables being examined. The population in this study consists of all employees working at XYZ Hotel & Convention in Cirebon. The total number of elements in this population is 166 employees. For data collection, a questionnaire will be distributed using a 1-5 Likert scale, which is chosen because it provides a balanced range of responses that are easy for respondents to understand and allows for robust statistical analysis of attitudes and perceptions. The researcher needs to use an appropriate sampling technique to collect representative data due to the relatively small and easily accessible population size. Therefore, the entire population in this study will be used as the sample, which is referred to as the census sampling technique (Sekaran & Bougie, 2016). In other words, the sample size in this study is 166 employees of XYZ Hotel & Convention in Cirebon. The collected data will be analyzed using Structural Equation Modeling with Partial Least Squares (SEM-PLS), as this method is suitable for testing complex relationships among latent variables and is effective for research with relatively small sample sizes.

This study uses instruments that adapt various items to measure the relevant variables. For Employee Performance, the instrument is based on the research by Latifah et al. (2024), using 11 items, such as "I make work plans to complete tasks on time," "I immediately start a new task once the previous one is finished," and others. Furthermore, for Job Satisfaction, this study adopts eight items from Latifah et al. (2024), such as "I am satisfied with my current job," "I am satisfied with the salary I receive," and others.

Meanwhile, for Organizational Culture, this study uses 18 items adapted from Al-Alawi et al. (2007), such as "I believe that colleagues should not share personal information," "Employees are rewarded for sharing knowledge and experiences with colleagues," and others.

RESULT

A total of 166 respondents participated in this study, each of whom met the selection criteria established by the researcher. Based on the demographic data of the respondents from XYZ Hotel & Convention in Cirebon, the age group of 19-28 years dominated (47.59%), reflecting the hospitality industry’s preference for a young, flexible, energetic, and cost-efficient workforce in operational positions. The

dominance of females (61.45%) in terms of gender reinforces the gender stereotype in the service sector, where attributes such as friendliness and attention to detail are often associated with female workers.

The majority of employees had worked for 3-6 years (54.82%), indicating a transitory career pattern: employees stay long enough to master basic skills before seeking better opportunities. Nearly all respondents held a D-IV/S1 degree (98.19%) because a bachelor’s degree is a mandatory administrative requirement, even for technical jobs such as room attendants or waiters. The largest concentration of respondents worked in the F&B division (28.31%) and as Room Attendants (26.51%), reflecting the hotel’s business structure that relies on revenue from room services and food and beverage services. The low representation in the front office (7.23%) may indicate the automation of services or outsourcing of that function.

Construct Reliability & Validity

Table 1. Result of Construct Reliability & Validity Test

Variable	Code	Indicator	Loading Factor	Cronbach's Alpha	Composite Reliability		AVE
					Rho_a	Rho_c	
Employee Performance	KR1	I create a work plan to complete tasks on time.	0.773	0.926	0.928	0.939	0.623
	KR2	I always remember the results I need to achieve in my work.	0.801				
	KR3	I immediately start working on a new task after completing the previous one.	0.868				
	KR4	I am willing to accept tasks that present greater challenges.	0.884				
	KR5	I discuss negative aspects of my work with my colleagues.	0.763				
	KR6	I explain to subordinates what they need to do to earn rewards.	0.767				
	KR7	I have the ability to maintain a good reputation at work.	0.794				
	KR8	I have the ability to maintain teamwork.	0.828				
	KR9	I work according to my preferences.	0.655				

Job Satisfaction	KK1	I am satisfied with my current job.	0.825	0.915	0.920	0.933	0.668
	KK2	I am satisfied with the supervision provided by my superior.	0.719				
	KK4	I am satisfied with the salary I receive.	0.924				
	KK5	I am satisfied with the career advancement opportunities.	0.737				
	KK6	The company provides opportunities for me to utilize my skills.	0.785				
	KK7	My supervisor has the competence and expertise to make the right decisions.	0.905				
	KK8	I feel satisfied doing things that do not conflict with my conscience.	0.804				
Organizational Culture	BO1	I believe that colleagues should not share personal information.	0.806	0.959	0.961	0.963	0.632
	BO2	There are specific rules and procedures established to protect those who share knowledge from malicious intentions.	0.731				
	BO3	Most of my colleagues are people I know well and trust.	0.853				
	BO4	I have never been harmed for sharing knowledge with my colleagues.	0.799				
	BO5	I believe that people will not hesitate to utilize others' knowledge and experience for personal gain.	0.761				
	BO6	There is a sufficiently high level of trust among colleagues in this organization.	0.819				
	BO7	There are frequent face-to-face interactions among colleagues at the workplace.	0.720				
	BO8	Language does not pose a problem when communicating with other staff members.	0.794				
	BO9	Team discussions and collaboration improve communication among colleagues.	0.786				
	BO10	The organization provides various tools and technologies to facilitate knowledge sharing and exchange (e.g., groupware, email, intranet).	0.730				
	BO13	Employees are rewarded for sharing their knowledge and experience with colleagues.	0.773				
	BO14	The rewards for knowledge sharing are effective in motivating staff to share their knowledge.	0.868				
	BO15	Employees are more likely to be rewarded based on teamwork and collaboration rather than individual performance.	0.778				
	BO16	Workers actively participate in decision-making processes.	0.730				
	BO17	Workers actively participate in decision-making processes.	0.793				
	BO18	Some tasks require the formation of teams with members from various departments to be completed.	0.869				

Based on the reliability indicator analysis (Outer Loading), it was found that not all of the 37 items included in the questionnaire met the reliability indicator standard set by Hair et al. (2019), which is above 0.708. Items that did not meet this standard had to be eliminated, including two items from the Organizational Culture variable (BO11 & BO12), one item from the Job Satisfaction variable (KK3), and two items from the Employee Performance variable (KR10 & KR11). These items could not be retained as they affected the subsequent analysis stages. Therefore, Table 1 shows all the items that passed the reliability indicator test (>0.708). Based on the analysis in Table 1, the loading factor values indicate that each variable has made a significant contribution. In the Employee Performance

variable, KR4 (0.884) is the dominant indicator, reflecting the importance of the willingness to accept challenges in measuring performance. For Job Satisfaction, KK4 (0.924) has the largest impact, emphasizing that financial compensation is a central factor in job satisfaction. Meanwhile, in Organizational Culture, the BO18 indicator (0.869) stands out, indicating that inter-departmental collaboration is a key pillar of the organizational culture.

Table 1 also shows that all variables meet the reliability criteria with Cronbach's Alpha values (>0.6) and Composite Reliability values (>0.7). Employee Performance recorded a Cronbach's Alpha of 0.926 and Composite Reliability of 0.939, while Job Satisfaction reached 0.915 (Cronbach's Alpha) and 0.933

(Composite Reliability). Organizational Culture emerged as the most reliable variable with a Composite Reliability of 0.963, supported by the consistency pattern $CA < Rho_a < Rho_c$ across all constructs. This pattern indicates that the measurement tool is not only internally stable but also has higher consistency when tested with the rho_a and rho_c methods. These findings also confirm that the research instrument has strong validity and reliability. The high loading factors on indicators such as salary compensation (KK4) and team collaboration (BO18) reinforce the relevance of the underlying theories for these variables. In terms of reliability, Organizational Culture with a Composite Reliability of 0.963 stands as the best construct, reflecting the measurement tool's ability to consistently represent the variable. Therefore, these results not only validate the research design but also provide

an empirical foundation for further analysis in related studies.

The results of the convergent validity test based on the Average Variance Extracted (AVE) show that all variables meet the validity criteria with AVE values above the threshold of 0.5. Organizational Culture recorded an AVE of 0.623, Job Satisfaction 0.668, and Employee Performance 0.632. This indicates that the average variance from the indicators for each latent variable is greater than 50%, meaning that these variables can explain most of the variability of the indicators being measured. The highest AVE value was found in the Job Satisfaction variable (0.668), while Organizational Culture had the lowest AVE value (0.623), but it still met the minimum standard. Thus, all measurement tools in this study have met the convergent validity requirements.

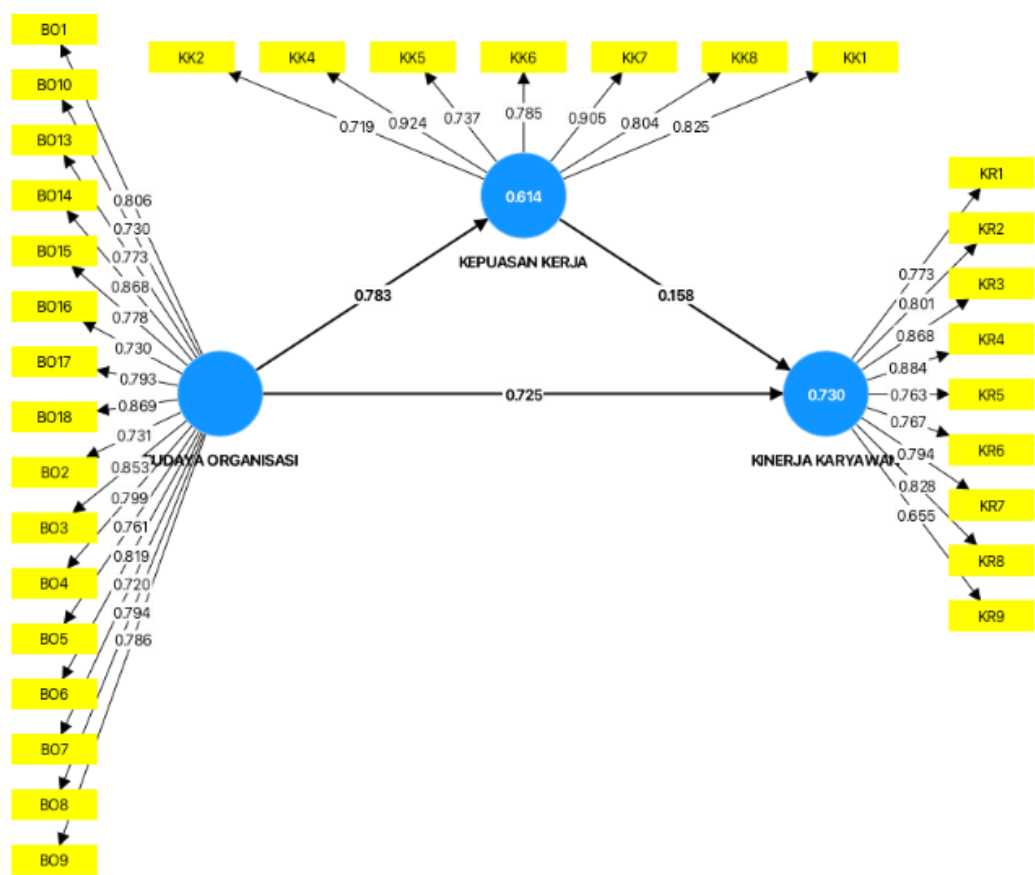


Figure 2. Outer Loading

The Result of Discriminant Validity

To assess the construct validity in this study, an alternative approach can be used as a reference. The Heterotrait-Monotrait (HTMT) ratio value that is below 0.85 is generally considered adequate to ensure construct validity, although this threshold may vary depending on the complexity of the model and the characteristics of the data used. HTMT is preferred over traditional methods such as cross-loading and Fornell-Larcker tests because recent research has shown that HTMT is a more reliable

and sensitive criterion for detecting discriminant validity issues, especially in complex models or when constructs are conceptually similar. The cross-loading and Fornell-Larcker criteria have been found to be less effective in identifying discriminant validity problems, which can lead to inaccurate conclusions about the distinctiveness of constructs. Therefore, this study uses the HTMT approach to provide a more rigorous assessment of discriminant validity. The following Table 2 presents the HTMT values obtained in this study.

Table 2. Result of Discriminant Validity According to HTMT

	Heterotrait-monotrait ratio (HTMT)
Job Satisfaction ↔ Organizational Culture	0.829
Employee Performance ↔ Organizational Culture	0.835
Employee Performance ↔ Job Satisfaction	0.780

Based on the results of the Discriminant Validity Test (HTMT) in Table 2, all heterotrait-monotrait ratio values are below the 0.900 threshold, in line with the criteria set by Hair et al. (2019). The highest value is found in the relationship between Employee Performance ↔ Organizational Culture (0.895), which, although approaching the 0.900 limit, still meets the discriminant validity requirement. Meanwhile, the relationships between Job Satisfaction ↔ Organizational Culture (0.829) and Employee

Performance ↔ Job Satisfaction (0.780) demonstrate clearer discrimination between the constructs. This confirms that each variable (Organizational Culture, Job Satisfaction, and Employee Performance) has unique characteristics and does not overlap in its measurement. Therefore, the research instrument has ensured good construct validity, enabling it to clearly differentiate between the variables being studied.

Evaluation of F-Square & R Square

Table 3. The Value of F-Square & R Square

	F ² (Effect Size)		R ²
	Job satisfaction	Employee Performance	
Organizational culture	1.589	0.753	
Job satisfaction		0.036	0.611
Employee Performance			0.727

The examination of F-Square and R-Square metrics in Table 3 reveals both the intervariable connections and the model's explanatory capacity. Organizational Culture exerts a substantial influence on Job Satisfaction (F² = 1.589) while also showing considerable impact on Employee Performance (F² = 0.753), establishing it as a primary driver affecting both domains. Conversely, Job Satisfaction demonstrates only minimal direct effect on Employee Performance (F² = 0.036), indicating its limited standalone contribution to performance outcomes.

The R-Square values indicate that this model can explain 72.7% of the variation in Employee Performance (R² = 0.727) and 61.1% of the variation in Job Satisfaction (R² = 0.611). This suggests that the model is quite effective in predicting performance and job satisfaction, particularly due to the significant role of Organizational Culture. However, because the impact of Job Satisfaction on performance is weak, improving performance may be more effective if the focus is placed on enhancing Organizational Culture rather than solely increasing job satisfaction.

Hypotheses Testing

Table 4. The Result of Hypotheses Testing

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T statistics (O/STDEV)	P values
Direct Effect					
Organizational culture → Job satisfaction	0.783	0.770	0.069	11.283	0.000
Organizational culture → Employee Performance	0.725	0.711	0.067	10.790	0.000
Job satisfaction → Employee Performance	0.158	0.163	0.061	2.594	0.010

Indirect Effect					
Organizational culture → Job satisfaction → Employee Performance	0.123	0.126	0.050	2.483	0.013

Hypothesis testing outcomes indicate that Organizational Culture exerts a substantial direct influence on both Job Satisfaction ($\beta = 0.783$, $p < 0.001$) and Employee Performance ($\beta = 0.725$, $p < 0.001$). This demonstrates that enhancing organizational culture directly improves these outcomes. While Job Satisfaction shows only a modest direct effect on Employee Performance ($\beta = 0.158$, $p = 0.01$), it functions as a statistically significant mediator between Organizational Culture and Employee Performance (indirect effect $\beta = 0.123$, $p = 0.013$). These results confirm that Organizational Culture impacts performance through both direct and indirect pathways (via Job Satisfaction), though the mediation effect is secondary to its direct influence. Consequently, performance enhancement strategies should prioritize organizational culture development while acknowledging job satisfaction's supplementary mediating role.

DISCUSSION

Organizational Culture on Employee Performance

The testing results show that hypothesis H1, which states that there is a positive effect of Organizational Culture (OC) on Employee Performance (EP), is accepted. This means that a stronger organizational culture within the company leads to higher levels of performance exhibited by the employees. This finding is consistent with previous research, such as those conducted by Abdullahi et al. (2021), Haryadi (2022), Tran (2021), Insan & Masmarulan (2021), and Diana et al. (2021), which found that a strong organizational culture significantly contributes to improving employee performance across various types of organizations.

At Hotel & Convention XYZ in Cirebon, the impact of organizational culture can be observed in the daily interactions and collaboration among employees from different departments. For instance, employees at this hotel often work together across departments to handle guest needs and resolve operational challenges, demonstrating a culture that values teamwork and open communication. This cross-departmental collaboration not only helps in sharing ideas and finding innovative solutions but also strengthens the sense of unity and shared purpose among staff. A strong and consistent organizational culture at Hotel & Convention XYZ also fosters a supportive work environment where employees

feel valued and motivated. When facing high occupancy periods or special events, the culture of mutual support and innovation enables teams to respond quickly and effectively, ensuring high-quality service for guests. Employees are encouraged to contribute ideas and take initiative, which enhances their sense of ownership and pride in their work. As a result, both individual and team performance improve, contributing positively to the overall success and reputation of the hotel.

Organizational Culture on Job satisfaction

Empirical analysis confirms Hypothesis H2, establishing a significant positive relationship between Organizational Culture (OC) and Job Satisfaction (JS) at Hotel & Convention XYZ in Cirebon. The findings demonstrate that enhanced organizational culture strength directly elevates employee satisfaction levels. This occurs through OC's creation of supportive work environments that foster employee engagement, collaborative dynamics, and meaningful recognition systems – all critical drivers of work fulfillment. These results align with established research by Saleh & Atan (2021), Paramita et al. (2020), and Riyanto & Panggabean (2020), whose studies consistently validate that transparent, inclusive cultures facilitating open communication channels substantially strengthen employee contentment.

At Hotel & Convention XYZ, the influence of organizational culture on job satisfaction is evident in how employees interact and collaborate across departments. Employees are frequently involved in cross-departmental teams to complete various tasks, such as organizing events or addressing guest needs. This collaborative approach provides staff with opportunities to share ideas, learn from one another, and feel that their contributions are recognized and valued. Such involvement not only strengthens the sense of belonging and connection among employees but also increases their pride and satisfaction in their roles. Moreover, the hotel's culture encourages open communication and mutual support, making it easier for employees to voice their opinions and participate in decision-making processes. This inclusive environment helps employees feel respected and appreciated, further boosting their job satisfaction. The culture of collaboration and innovation at Hotel & Convention XYZ thus creates a dynamic and supportive workplace, where employees are

motivated to perform well and are more likely to experience higher levels of satisfaction in their daily work.

Job satisfaction on Employee Performance

The analysis results show a positive effect of Job Satisfaction (JS) on Employee Performance (EP). These findings affirm that employees who are satisfied with their work tend to demonstrate higher levels of performance. This is consistent with previous studies by Mira et al. (2019), Sabuhari et al. (2020), Idris et al. (2020), and Latifah et al. (2024), which found that job satisfaction—whether related to the work environment, interpersonal relationships, or recognition received—significantly contributes to enhancing employee performance. High job satisfaction drives intrinsic motivation, making employees more diligent, committed, and motivated to complete tasks with the best possible outcomes.

Factors such as salary and benefits further strengthen the positive relationship between job satisfaction and employee performance. At Hotel & Convention XYZ in Cirebon, the influence of job satisfaction on performance is reflected in how employees perceive their compensation and the recognition they receive for their work. Many employees feel satisfied when their salary matches their workload, responsibilities, and contributions to the hotel. Competitive salaries not only acknowledge their efforts but also motivate them to work harder and maintain high productivity. When employees perceive that their salary and benefits are fair and on par with those of their colleagues, it helps create a harmonious work environment and reduces the potential for conflict.

Furthermore, a supportive work environment and strong interpersonal relationships among staff members also play a crucial role in fostering job satisfaction. Employees who feel respected, valued, and supported by both their peers and management are more likely to take pride in their work and strive for excellence. Thus, the combination of fair financial rewards, a positive work atmosphere, and good relationships among employees is fundamental for Hotel & Convention XYZ to enhance overall performance and achieve long-term organizational success.

Organizational Culture on Employee Performance through Job satisfaction

The hypothesis testing results for H4 indicate that Organizational Culture (OC) affects Employee Performance (EP) both directly and

indirectly through Job Satisfaction (JS) as a mediator. This partial mediation means that Job Satisfaction plays a significant, but not exclusive, role in channeling the positive effects of organizational culture into improved employee performance.

The effectiveness of this mediation depends on how strongly the organizational culture is internalized by employees and how well it aligns with their personal values—a concept central to the Person-Organization Fit (P-O Fit) theory. When employees perceive a good fit between their values and the organizational culture, the mediation effect of job satisfaction becomes more pronounced; employees are more likely to feel satisfied and, in turn, perform better. However, if employees do not fully embrace the organizational culture, or if the culture does not sufficiently address their needs and expectations, the impact of organizational culture on performance will rely more heavily on improving job satisfaction first. In practice at Hotel & Convention XYZ, this means that efforts to strengthen organizational culture—such as fostering inclusivity, collaboration, and recognition—will be most effective in boosting performance when they also enhance job satisfaction. Therefore, the mediation is most effective under conditions where employees feel valued, supported, and aligned with the organization's values, making job satisfaction a critical pathway for translating cultural strength into high performance.

CONCLUSION

This study emphasizes the importance of Organizational Culture (OC) in influencing Employee Performance (EP), both directly and through Job Satisfaction (JS) as a mediator. The findings indicate that a strong organizational culture not only directly enhances employee performance but also creates a work environment that supports job satisfaction. In other words, an inclusive, collaborative, and innovation-supportive organizational culture significantly contributes to the improvement of both individual and team performance. Furthermore, the Person-Organization Fit (P-O Fit) theory reinforces these findings by explaining that the alignment between employee values and organizational culture is a key factor in enhancing job satisfaction and overall employee performance.

From a managerial perspective, strengthening organizational culture should involve specific, actionable initiatives. For example, Hotel & Convention XYZ can implement regular cross-departmental team projects—such as collaborative event planning or inter-departmental problem-solving groups—to

actively foster cooperation and break down silos. To support innovation, management can introduce an “Idea Box” program, where employees are encouraged to submit suggestions for service improvements, with the best ideas recognized and implemented each quarter. Recognition can be formalized through monthly “Employee Appreciation” events, where outstanding contributions are publicly acknowledged, and top performers receive tangible rewards such as gift vouchers or additional leave days. To address fairness in compensation, the hotel should conduct annual benchmarking of salaries and benefits against industry standards in Cirebon, ensuring that pay remains competitive and transparent. Additionally, introducing a performance-based bonus system can directly link individual and team achievements to financial rewards. These concrete actions not only align with the study’s findings—highlighting the importance of culture and job satisfaction in driving performance—but also provide clear, practical steps for management to take. By integrating these programs, Hotel & Convention XYZ can create a more engaging and satisfying work environment, ensuring that improvements in organizational culture directly translate into higher employee motivation, satisfaction, and performance.

Theoretically, this study strengthens the relevance of the Person-Organization Fit (P-O Fit) theory in explaining the relationship between organizational culture, job satisfaction, and employee performance. Moreover, this research contributes to the human resource management literature by demonstrating that organizational culture not only impacts performance directly but also through the mediation of job satisfaction. Therefore, this study opens opportunities for further exploration of how specific elements of organizational culture, such as innovation or inclusivity, can influence employee performance across different types of organizations.

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