

## **Influence of Organizational Culture on Employee Performance with Work Stress as a Moderating Variable at the Sub-district Office of Siantar Utara Pematangsiantar City**

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**Abstract:** This study examines the influence of organizational culture on employee performance with work stress as a moderating variable at the Sub-District Office of Siantar Utara, Pematangsiantar City. The research seeks to determine the extent to which organizational culture improves employee performance and whether work stress weakens this relationship. The variables analyzed are organizational culture as the independent variable, employee performance as the dependent variable, and work stress as the moderating variable. A combination of library research and field research was applied, using both descriptive qualitative and quantitative methods. Data were collected from 40 employees through questionnaires distributed by purposive sampling. Analytical techniques used include descriptive analysis, simple linear regression, moderation regression with the absolute difference method, correlation, determination coefficient, and hypothesis testing. The results show that organizational culture positively and significantly affects employee performance, meaning that a stronger culture enhances performance. However, work stress exerts a negative and significant moderating effect, indicating that higher stress levels reduce the positive impact of organizational culture on performance. Correlation analysis reveals a very strong and positive relationship with an r-value of 0.833. The coefficient of determination shows that 69.4% of performance is explained by organizational culture, and this rises to 76.3% when stress is included as a moderator. These findings suggest that while organizational culture is critical to performance, managing stress is equally important for optimizing outcomes.

**Keywords:** Organizational Culture, Work Stress, Employee Performance, Moderating Variable

## **INTRODUCTION**

Every government organization is required to provide optimal services and contribute positively to society (Septiani et al., 2022). This responsibility is inseparable from the role of human resources within the organization, particularly in the civil service environment such as the sub-district office (Miftahul & Meirinawati, 2022). The Sub-district Office of Siantar Utara, Pematangsiantar City, functions as a government institution that assists the Mayor in implementing development programs, fostering

community life, and handling delegated regional government affairs in accordance with prevailing laws and regulations. Employee performance in this office is measured based on Government Regulation Number 30 of 2019, which emphasizes performance targets (quantity, quality, timeliness, and cost) and work behavior (service orientation, commitment, initiative, teamwork, and leadership).

In practice, employee performance at the Sub-district Office of Siantar Utara is not yet optimal. Several employees fail to complete reports on time, such as monthly, quarterly, and annual reports, while work behavior dimensions also show weaknesses in service orientation and punctuality. Some employees do not remain at their posts during working hours, resulting in delays in processing important documents required by the community. These phenomena highlight a gap between expected performance standards and actual performance outcomes.

One of the main factors influencing employee performance is organizational culture. Prior studies, such as (Kuswati, 2020), emphasize that a strong organizational culture leads to improved employee performance. At the Sub-district Office of Siantar Utara, organizational culture is represented by six dimensions: observable behavior rules, norms, dominant values, philosophy, regulations, and organizational climate. However, problems persist, including lack of discipline, weak enforcement of sanctions, and repeated violations of institutional regulations.

Another factor that may influence performance is work stress. Research by (Karim, 2022) found that work stress negatively affects employee performance. At the Sub-district Office of Siantar Utara, work stress arises from sudden task assignments, high physical demands due to non-functional air conditioning, and overlapping roles. These stressors disrupt employees' ability to focus on their responsibilities, thereby reducing overall performance quality.

This research addresses the gap between theory and practice by examining the influence of organizational culture on employee performance with work stress as a moderating variable. The objectives are to provide a comprehensive description of organizational culture, work stress, and employee performance at the Sub-district Office of Siantar Utara, to analyze the direct influence of organizational culture on employee performance, and to explore the extent to which work stress moderates this relationship. The novelty of this study lies in its integration of organizational culture and work stress variables in analyzing civil servant performance, thereby offering both theoretical contributions and practical implications for improving performance management in local government institutions.

## **THEORETICAL REVIEW**

### **Grand Theory**

Management is the foundation of this research because it explains how organizations utilize human resources and other resources to achieve predetermined goals (Chelladurai & Kim, 2022). According to (Mayta-Huiza et al., 2023), management involves the coordination and supervision of other people's work so that tasks can be completed efficiently and effectively. In line with this, management can be viewed as a process of utilizing resources effectively and efficiently to achieve organizational objectives.

### **Human Resource Management**

Human resource management is part of general management that focuses on planning, organizing, implementing, and controlling human resources (Rahsel & Gumanti, 2022). Human resource management is the utilization of human potential to support the sustainability of organizations and the achievement of their functions (Amjad et al., 2021). It emphasizes that employees are a vital asset that directly determines organizational performance.

### **Organizational Culture**

Organizational culture is an important factor that influences employee performance. In (Mado et al., 2024) define organizational culture as a set of shared assumptions implicitly accepted and held by a group that determines how members perceive, think, and react to their environment. Organizational culture reflects values and norms that guide employee behavior and help improve organizational quality. Previous studies, such as (Iskamto, 2023) found that a positive organizational culture contributes significantly to improved employee performance.

### **Work Stress**

Work stress is another variable that may affect employee performance. In (Hasanvand, 2024) explains that work stress is a feeling of pressure experienced by employees in facing their job, which may manifest in unstable emotions, anxiety, excessive smoking, insomnia, and difficulty in relaxing. Stress at work can decrease employee focus, productivity, and job satisfaction. Research by (Pandey, 2020) found that work stress negatively affects employee performance, indicating that low stress levels lead to better quality and higher productivity, whereas high stress reduces performance.

### **Employee Performance**

Performance reflects the outcomes achieved by employees in accordance with job requirements. In (Niati et al., 2021) defines performance as the results achieved by an individual based on job standards and responsibilities. Employee performance in government institutions is often evaluated using indicators such as work quantity, quality, timeliness, service orientation, commitment, initiative, teamwork, and leadership.

### **Relationships among Variables**

Organizational culture provides behavioral guidelines that shape how employees work, and a strong culture is associated with higher performance. However, work stress may moderate this relationship. While a supportive culture enhances performance, high stress levels may weaken or even reverse the positive effects of culture on employee performance. Thus, both organizational culture and work stress play critical roles in explaining variations in employee performance.

## **METHODS**

This study applies a combination of library research and field research. Library research is carried out by reviewing books, journals, regulations, and previous studies related to organizational culture, work stress, and employee performance, while field research is conducted directly at the Sub-district Office of Siantar Utara, located at Jalan Patuan Anggi No. 163, Pematangsiantar City. The research employs both qualitative and quantitative descriptive methods. The qualitative approach is used to describe

organizational culture, work stress, and performance through interviews and observations, while the quantitative approach is applied to measure relationships among variables using questionnaires. Data sources consist of primary data obtained from employees through questionnaires, interviews, and observations, and secondary data obtained from documents, regulations, and literature relevant to the research. The study population comprises all employees of the Sub-district Office of Siantar Utara, and given the relatively small number of staff, the census method is used so that all employees are included as respondents.

The data collection techniques include questionnaires to capture employee perceptions, interviews with key informants such as the Head of General Affairs and Personnel, direct observation of employee activities and discipline, and documentation of official records and reports. The analysis consists of qualitative analysis to interpret findings from interviews and observations, and quantitative analysis to process data from questionnaires. Descriptive statistics are applied to provide an overview of each variable, while inferential analysis is employed to test hypotheses concerning the influence of organizational culture on employee performance and the moderating role of work stress. This combination of methods ensures that the research findings reflect both theoretical foundations and practical realities in the field.

## RESULTS

### Qualitative Descriptive Analysis

The classification of the average respondents' answers to describe their responses qualitatively is presented in the following table:

**Table 1.** Value Interval of Respondents' Answer Categories

Value Interval	Organizational Culture	Work Stress	Employee Performance
1.00–1.80	Very Poor	Very Poor	Very Poor
1.81–2.60	Poor	Poor	Poor
2.61–3.40	Fairly Good	Fairly Good	Fairly Good
3.41–4.20	Good	Good	Good
4.21–5.00	Very Good	Very Good	Very Good

### Description of Organizational Culture at the Sub-district Office of Siantar Utara Pematangsiantar City

The research findings indicate that in the pedagogical competence dimension, the lowest indicator is the ability to understand students' characteristics with an average score of 2.88 (fair), while the highest is the ability to master learning theories with a score of 3.62 (good). In the personal competence dimension, the highest indicator is the ability to be a role model for students and the community with a score of 3.76 (good). Furthermore, in the social competence dimension, the highest indicator is the ability to communicate politely with a score of 3.64 (good), while the lowest is teachers' openness with a score of 3.05 (fair). In the professional competence dimension, the highest indicator is mastery of subject matter with a score of 3.71 (good). Overall, the average teacher performance score is 3.48, categorized as good.

### **Description of Organizational Culture at the Sub-district Office of Siantar Utara Pematangsiantar City**

In the observed rules dimension, indicators such as employee participation in organizational activities scored 4.18 (strong), use of polite language 4.23 (very strong), and proper workplace behavior 4.23 (very strong). In the norms dimension, leadership guidance scored 4.20 (strong), while employee discipline was relatively low at 2.98 (fair), and timely completion of tasks scored 3.08 (fair).

In the dominant values dimension, effectiveness (3.23), efficiency (3.38), and compliance (3.30) were rated fair, showing issues with discipline and delayed work. In the philosophy dimension, trust in employee performance (4.20), confidence in leadership policies (4.13), and mutual respect (4.18) were all strong. In the work rules dimension, adherence to regulations (3.13) and enforcement of sanctions (3.40) were fair, while goal achievement scored 4.05 (strong). In the organizational climate dimension, physical conditions (4.08), teamwork and relationships (4.40), and interaction among employees (4.08) were rated strong to very strong.

Overall, the organizational culture at the Siantar Utara Sub-district Office scored an average of 3.80 (strong). The highest score was in the organizational climate dimension, particularly employee relations (4.40, very strong), while the lowest was in the norms dimension, specifically employee discipline (2.98, fair).

### **Overview of Work Stress at the Sub-district Office of Siantar Utara Pematangsiantar City**

In the task demands dimension, indicators such as making quick decisions without complete information scored 2.75 (fairly high), while sudden additional tasks scored 2.35 (high) due to last-minute assignments from supervisors. Working beyond office hours scored 2.93 (fairly high), showing that employees generally avoid working outside designated hours. In the physical demands dimension, workplace temperature scored 2.28 (high) due to non-functioning air conditioning, while workspace size scored 2.93 (fairly high), wall color 2.65 (fairly high), and lighting 3.03 (fairly high), with adequate sunlight and artificial lighting available.

In the role demands dimension, role ambiguity scored 2.65 (fairly high), role conflict 2.53 (high) caused by unequal task distribution, and dual roles 2.25 (high), with some employees handling multiple responsibilities. In the interpersonal demands dimension, co-worker demands scored 2.83 (fairly high), group demands 2.75 (fairly high), while leader demands scored the lowest at 2.13 (high), reflecting heavy workloads assigned by supervisors and inefficiencies in task completion. Overall, the average score for work stress was 2.62 (fairly high). The highest stress level was found in the physical demands dimension, particularly lighting (3.03), while the lowest was in interpersonal demands, specifically leader demands (2.13).

### **Employee Performance at the Sub-district Office of Siantar Utara, Pematangsiantar City**

The analysis of employee performance at the Sub-district Office of Siantar Utara, Pematangsiantar City shows that overall performance falls into the good category with an average score of 3.81. In the work target dimension, the highest indicator is organizational goal achievement (4.38, very good), supported by accountability for work results (4.08, good) and accuracy in tasks (4.33, very good). This reflects the employees' responsibility and precision in carrying out administrative services and implementing government

programs. However, weaknesses were found in orderliness (3.25, fairly good) and timeliness of report completion (3.35, fairly good), as several employees did not fully comply with work regulations or complete reports within the expected timeframe. In terms of financial resource management, both budget use (4.13, good) and accountability (3.95, good) demonstrate effective handling by the treasurer and finance division.

In the work behavior dimension, the level of service provided scored fairly good (3.40), while employee attitudes (3.70, good), work ethics (3.90, good), and willingness to help colleagues (4.08, good) indicate strong interpersonal qualities. Nevertheless, employee commitment (3.15, fairly good) and initiative without direct instructions from superiors (3.30, fairly good) remain areas of concern, highlighting the need for greater self-awareness and responsibility among staff. On the other hand, cooperation between employees (4.15, good) and employee-superior relationships (3.81, good) reflect positive organizational dynamics. The highest performance was achieved in organizational goal attainment (4.38, very good), while the lowest was observed in employee commitment (3.15, fairly good).

## Quantitative Descriptive Analysis

### Simple Regression Analysis

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

**Table 2.** Results of Simple Linear Regression Test

Model	Unstandardized Coefficients	Standardized Coefficients
	B	Std. Error
1	(Constant) 11.988	5.303
	Organizational Culture 0.715	0.077

a. Dependent Variable: Employee Performance

Based on Table 2, the regression equation can be formulated as  $Y = 11.988 + 0.715X$ , meaning that if organizational culture increases by one unit, employee performance will increase by 0.715. Thus, it can be concluded that there is a positive influence of organizational culture on employee performance at the Sub-district Office of Siantar Utara, Pematangsiantar City.

#### The Effect of Organizational Culture on Employee Performance with Work Stress as a Moderating Variable

**Table 3.** Results of Moderated Regression Analysis with Absolute Difference Method

Model	Unstandardized Coefficients		Standardized Coefficients
	B	Std. Error	Beta
(Constant)	62,910	,955	
Zscore (Organizational Culture)	5,750	,591	,883
Zscore (Work Stress)	-1,249	,545	-,192
Moderasi	-1,582	,637	-,223

a. Dependent Variable: Employee Performance

Based on Table 3, the regression equation can be written as follows:  

$$\hat{Y} = 62.910 + 5.750X_1 - 1.249X_2 - 1.582 | ZX_1 - ZX_2 |$$

If work stress increases by one unit, it weakens the relationship between organizational culture and employee performance by 1.582 times. Therefore, it can be concluded that there is a negative influence of organizational culture on employee performance with work stress as a moderating variable at the Sub-district Office of Siantar Utara, Pematangsiantar City.

### Correlation Coefficient and Coefficient of Determination

#### The Relationship Between Organizational Culture and Employee Performance

**Table 4.** Results of Correlation and Determination Coefficient

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,833 <sup>a</sup>	,694	,686	3,650

a. Predictors: (Constant), Organizational Culture

b. Dependent Variable: Employee Performance

Based on Table 4, the correlation value is  $r = 0.833$ , which indicates a very strong and positive relationship between organizational culture and employee performance at the Sub-district Office of Siantar Utara, Pematangsiantar City. The coefficient of determination ( $R^2$ ) is 0.694, meaning that 69.4% of the variance in employee performance is explained by organizational culture, while the remaining 30.6% is explained by other factors such as motivation, emotional intelligence, and spiritual intelligence, which are not discussed in this study.

#### The Relationship Between Organizational Culture and Employee Performance with Work Stress as a Moderating Variable

**Table 5.** Results of Correlation and Determination Coefficient

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.873 <sup>a</sup>	0.763	0.743	3.301

a. Predictors: (Constant), moderasi, Zscore (Organizational Culture), Zscore (Work Stress)

b. Dependent Variable: Employee Performance

Based on Table 5, the correlation value is  $r = 0.873$ , which indicates a very strong relationship between organizational culture and employee performance with work stress as a moderating variable at the Sub-district Office of Siantar Utara, Pematangsiantar City. The coefficient of determination ( $R^2$ ) is 0.763, meaning that 76.3% of employee performance is explained by organizational culture and work stress, while the remaining 23.7% is explained by other factors such as work ethic, work discipline, and processes not examined in this study.

### Hypothesis Testing

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

**Table 6.** t-Test Results of Organizational Culture on Employee Performance

Model	t	Sig.
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1 (Constant)	2.261	0.030
Organizational Culture	9.283	0.000

a. *Dependent Variable:* Employee Performance

Based on Table 6, the t-value for organizational culture is  $9.284 > t\text{-table}$  with  $df = n - k$  ( $40 - 2 = 38$ ) = 2.024, or with a significance level of  $0.000 < 0.05$ . Therefore,  $H_0$  is rejected, meaning that organizational culture has a positive and significant effect on employee performance at the Sub-district Office of Siantar Utara, Pematangsiantar City. This is consistent with the findings of Indajang et al. (2017:19), which showed that organizational culture and supervision have a positive and significant effect on employee performance.

### The Effect of Organizational Culture on Employee Performance with Work Stress as a Moderating Variable

**Table 7.** Results of Moderation Test with Absolute Difference Method

Model	t	Sig.
1 (Constant)	65.887	0.000
Zscore (Organizational Culture)	9.725	0.000
Zscore (Work Stress)	-2.291	0.028
Moderation	-2.483	0.018

Dependent Variable: Employee Performance

Based on Table 7, the t-value for the moderating variable (work stress) is  $-2.483 < t\text{-table}$  with  $df = n - k - 1$  ( $40 - 2 - 1 = 37$ ) = 2.026, and the significance value is  $0.018 < 0.05$ . Thus,  $H_0$  is rejected, indicating that work stress weakens the relationship between organizational culture and employee performance at the Sub-district Office of Siantar Utara, Pematangsiantar City. This means that the higher the level of work stress within the organization, the weaker the organizational culture among employees, which negatively impacts employee performance. This finding is consistent with the study by Sibuea et al. (2017:44), which concluded that work stress has a negative and significant effect on employee performance.

## DISCUSSION

### Organizational Culture at the Sub-District Office of Siantar Utara Pematangsiantar City

The results show that the organizational culture at the Sub-District Office of Siantar Utara is generally strong, with an average score of 3.80. This strength is reflected in several aspects such as adherence to organizational rules, employee behavior, and overall effectiveness. However, some indicators, like employee discipline in following organizational norms and timeliness in completing tasks, remain below the average and require improvement.

To strengthen organizational culture, leadership should provide consistent guidance, training, and supervision, along with applying clear disciplinary measures when needed. Furthermore, introducing a balanced system of rewards and punishments will help improve efficiency, motivation, and employee compliance. These measures can enhance overall performance and create a more effective organizational environment.

### **Work Stress at the Sub-District Office of Siantar Utara Pematangsiantar City**

Work stress among employees is considered quite high, with an average score of 2.62. Factors contributing to this stress include sudden additional tasks, poor physical conditions such as malfunctioning air conditioning, unclear division of roles, and excessive demands from leadership. These conditions often disrupt employees' ability to perform tasks effectively and create a challenging work atmosphere.

Improvements can be made by distributing workloads more fairly, upgrading workplace facilities, and providing training for employees to handle multiple tasks. Leadership should also align work assignments with employees' skills while motivating and rewarding their contributions. By addressing both physical and role-related stressors, the overall stress level can be reduced, leading to a healthier work environment.

### **Employee Performance at the Sub-District Office of Siantar Utara Pematangsiantar City**

Employee performance at the Sub-District Office of Siantar Utara is generally good, with an average score of 3.81. Positive results are seen in service delivery and employee attitudes, while certain aspects, such as punctuality, orderliness, and commitment, still fall into the "fairly good" category. This shows that although performance is satisfactory overall, some areas still require targeted attention.

To improve employee performance, leaders need to provide clear direction, continuous supervision, and motivation. Employees should also be encouraged to show greater responsibility, discipline, and politeness in serving the public. By combining stricter supervision with positive reinforcement, the office can improve employee commitment and ensure more consistent performance outcomes.

This section begins with the answer or settlement of the research hypothesis that has been built in the section of the literature review (only mentioning the effect or influence from independent to dependent variables, without providing statistical numbers). Then, the research implication has to be explained, connected to the description as well as contribution to related science. The results of other relevant research also need to be explained and compared in this section.

## **CONCLUSION**

The results of the qualitative descriptive analysis show that the organizational culture at the Sub-District Office of Siantar Utara, Pematangsiantar City, is categorized as good, with the highest score in the organizational climate dimension, particularly in employee relationships, while the lowest is in the norm dimension regarding employee behavior in following organizational rules. Work stress is found to be relatively high, with the highest score in the physical demands dimension related to workplace lighting and the lowest in the interpersonal demands dimension concerning excessive tasks from superiors. Employee performance is generally good, with the highest score in achieving organizational targets and the lowest in employee commitment. The simple linear regression test indicates a positive and significant effect of organizational culture on employee performance, while the moderation regression test using the absolute difference method shows a negative and significant effect when stress is included as a moderating variable. Correlation analysis reveals a very strong positive relationship between

organizational culture and employee performance, as well as a very strong negative relationship when stress moderates the link between organizational culture and performance, with determination analysis confirming that performance levels are influenced by both organizational culture and work stress. Finally, hypothesis testing rejects H<sub>0</sub>, meaning that organizational culture has a positive and significant effect on employee performance, while work stress weakens this relationship.

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