

THE INFLUENCE OF NEW CULTURE ORGANIZATION TOWARDS THE WORK MOTIVATION AND THE EMPLOYEE PERFORMANCE OF PTP NUSANTARA IV (PERSERO) IN NORTH SUMATERA

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ABSTRACT

State-owned company (*BUMN*) basically aims at obtaining both economic and off economic profits. To obtain the aims primarily in facing the global market, the *BUMN* is inevitably required to increase its competitiveness in the occupational creativity, the qualified products, more efficient management system, more professional manpower's ability, and more adaptable employees towards the domestic and global changes. For this reason the Minister of Empowerment of *BUMN* / Advisory Board of *BUMN* made a decision in 1988 on the Reformation Program of *BUMN* which provided management authority of *BUMN* in changing organization such as join operation with private company, and reorganization as well as merger (Master Plan *BUMN*). For example, the merger case of three state-owned companies in North Sumatera, namely *PTP VI*, *VII* and *VIII*, can be understood based on the concept stated above. Even according to the economists such as Rue Holland (1996) and *Pradyansyah* (1998), the merger of companies is admitted to be able to increase efficiency in management and profit of the company though it possibly has problems in human resources.

The merger case stated above is interesting to be further researched. The most interesting point to be researched lies on the influence of merger towards the employee performance. This research aims at describing the influence of merger towards the work motivation of the employee of *PTP Nusantara IV (Persero)* in North Sumatera, Indonesia. The research activities were located in 22 plantations, 1 corporate division unit, 2 director offices of *PTP Nusantara IV (Persero)* in North Sumatera. Sampling was conducted by using Cluster Sampling technique. The respondents taken as samples comprised 239 middle level managers of *PTP Nusantara IV (Persero)*. The data successfully collected are analysed by using statistic analysis technique with Structural Equation Modelling (SEM) in complete model.

The results of research successfully founded are: (a) the new organization culture had significantly positive influence towards the work motivation of the employee, (b) the work motivation had significantly positive influence towards the employee performance, (c) the new organization culture had significantly negative influence towards the employee performance, and (d) the new organization culture had significantly positive influence towards the employee performance indirectly through encouraging the work motivation as the intervening variable. Some factors of motivation significantly and indirectly influenced the employee performance include incentive motivation, social attribution, and physiological approach which could meet their needs materially and mentally. Motivation with social attribution approach could prevent the occupational stress caused by the merger. While the physiological approach could fulfil their higher needs. Furthermore, incentive motivation could lead their conducts to increase their job commitment, cooperation initiative, social control, and work performance. On the other hand, the tight internal control especially in facing inefficient conducts and revision towards the system, procedure, and policies of the companies are required to eliminate the moral hazard of the employees.

Key words: New culture organization, work motivation, employee performance, plantation company, human resource condition, merger of the *PTP* and *PTP Nusantara*.