BAMBANG ERNANTO. Effect of PT. Rekayasa Industri’ Corporate Culture implementation to Employee’s Motivation and Performance. Counselors: LUKMAN M. BAGA and EUIS SUNARTI.

Corporate culture is shared values and beliefs of all members of the corporation that serves as such basis and behavior in achieving Company’ objectives. Excellence corporate culture is a must to win in global competition and survive in business climate changes. Consistent implementation of corporate culture will enhance employees’ motivation and performance. At the end, it’s certainly led to company’ performance improvement.

The aim of this study is analyzing results of corporate culture implementation to work motivation and performance as well as closeness profile of respondents. Purposive non-probability sampling technique was used to 110 respondents. Explanatory Factor Analysis (EFA) is used to analyze corporate culture variable, while Confirmatory Factor Analysis (CFA) is used to validate each variable. Further, Structural Equation Modeling (SEM) was selected to perform hypothesis test for effect of corporate culture implementation to employees’ work motivation and performance. Using third-t table value at 5% significance level of 1.96, the study found that t values > 1.96. It is concluded that implementation of company culture has a significant influence to employees’ work motivation and performance.

This study is also to conduct explanatory to 6 core values of corporate culture in Rekind formulated by a team of experts and specialists assisted in order to know whether the determination of the six core values that are in accordance with the rules of statistics that can be used further for the benefit of scientific research.

Overall, implementation corporate culture is well accepted at all levels of the organization; however, some conflicting priorities were observed at job site. Employees at job site perceive that concern for people, professional and focus on customer are important values in motivating their work. While, in fact they have to begin with professional, innovation and team work. The difference order of motivation variable indicator according to average indicator scores and SEM load factor result should prioritize intrinsic motivation. In reality, the suitable implementation is extrinsic motivation. The approach to the performance factor including technical ability, conceptual ability and interpersonal skills indicates such discrepancies to performance aspects that conceptual ability should be prioritize instead of technical ability. There is no such significant correlation among employees' activities in corporate culture implementation, motivation, performance and respondents profile.

This analysis concluded that strategic human resources management and development should be performed in regular basis in order to achieve employees’ maximum performance and corporate goals.

Keywords: Corporate Culture, Employee Performance, Work Motivation